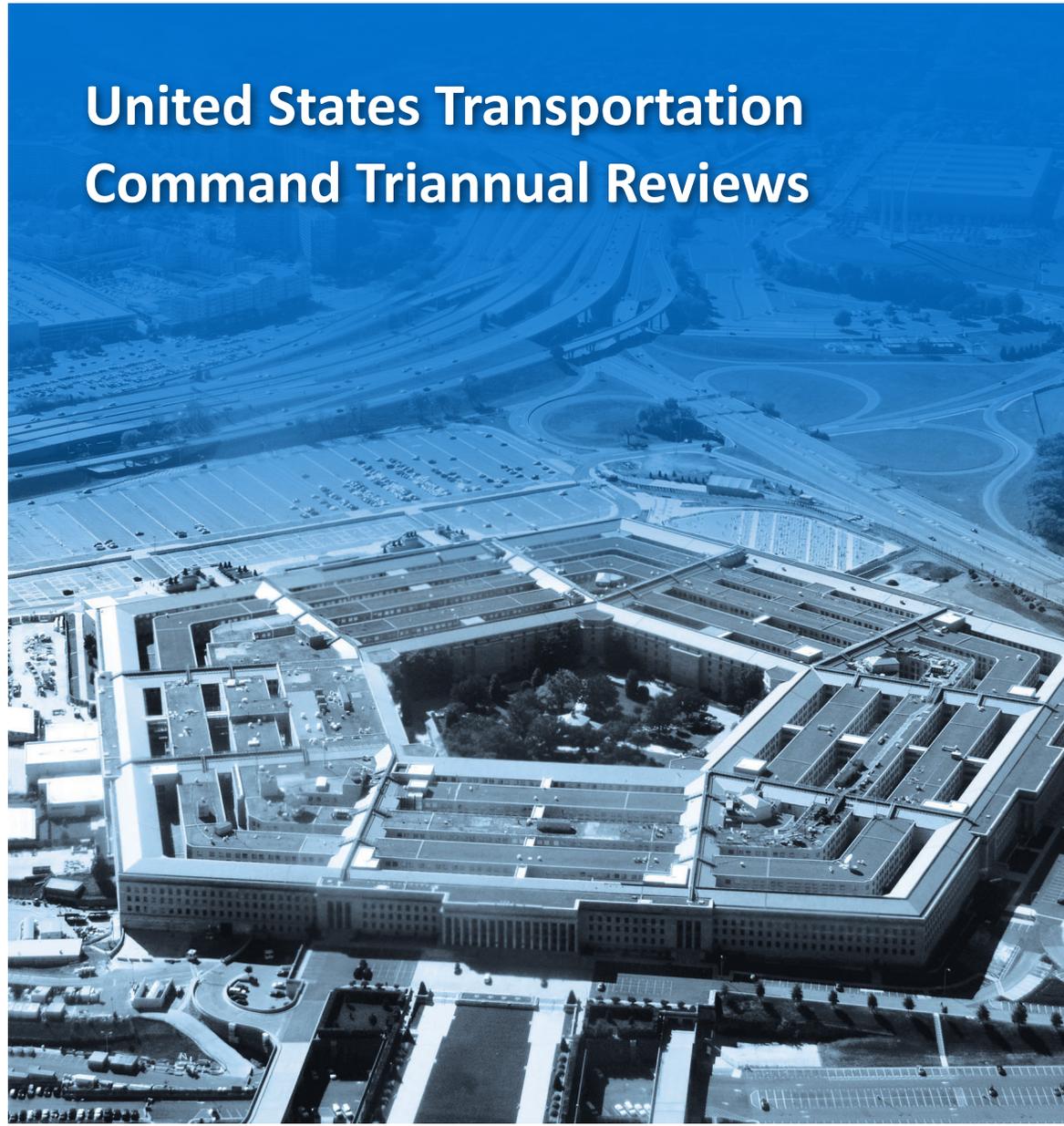




# INSPECTOR GENERAL

*U.S. Department of Defense*

AUGUST 9, 2017



## United States Transportation Command Triannual Reviews

INTEGRITY ★ EFFICIENCY ★ ACCOUNTABILITY ★ EXCELLENCE

INTEGRITY ★ EFFICIENCY ★ ACCOUNTABILITY ★ EXCELLENCE

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# Results in Brief

## *United States Transportation Command Triannual Reviews*

August 9, 2017

### Objective

We determined whether the United States Transportation Command (USTRANSCOM) performed triannual reviews (TARs) of certain financial transactions in accordance with applicable regulations. Specifically, we determined whether the TARs performed provided reasonable assurance that unliquidated obligations, accounts payable, unfilled customer orders, and accounts receivable transactions were valid, accurate, and complete.

### Finding

We focused on May 31, 2016, and September 30, 2016, for our review. USTRANSCOM did not perform TARs during this period in accordance with the DoD Financial Management Regulation. This occurred because Program Analysis and Financial Management Directorate personnel did not develop required processes and procedures to complete TARs. In addition, USTRANSCOM personnel stated that Financial Improvement and Audit Readiness workload priorities precluded completion of TAR reporting efforts under DoD Financial Management Regulation guidelines. Instead, Directorate personnel limited their review to actions on a manually created open document list (ODL) that did not contain all open obligations as required by the DoD Financial Management Regulation. As a result, USTRANSCOM was unable to determine that unliquidated obligations of \$1.8 billion, accounts payable balances of \$0.7 billion, accounts receivable balances of \$1.3 billion, and unfilled customer orders were valid, accurate, and complete.

### Finding (cont'd)

Furthermore, because USTRANSCOM was unable to provide sufficient supporting documentation we were unable to obtain reasonable assurance that those balances were properly reported. Because TARs were not completed as required, USTRANSCOM and the Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD may not have had reliable financial information to make informed decisions.

### Recommendations

We recommend that the Director, Program Analysis and Financial Management Directorate, USTRANSCOM, develop and implement procedures to execute triannual reviews in accordance with DoD Financial Management Regulation requirements. The processes and procedures should ensure that each commitment, obligation, accounts payable, unfilled customer order, and accounts receivable is properly recorded, and reports are prepared for submission in the DoD standard format. Moreover, the processes and procedures should identify staff positions responsible for executing proper TARs.

### Management Comments and Our Response

The Deputy Commander, USTRANSCOM, agreed with our finding and recommendations. The Deputy Commander agreed to coordinate with the Office of the Secretary of Defense (Comptroller) and the Air Force to develop, document, and implement processes and procedures to execute triannual reviews in accordance with Office of Secretary of Defense guidance, including identifying responsible personnel. Additionally, the Deputy Commander agreed to ensure reports are correctly and accurately prepared based on Office of Secretary of Defense guidance. We consider the Deputy Commanders comments responsive to our recommendations; therefore, the recommendation is resolved but remains open.



# Results in Brief

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## *United States Transportation Command Triannual Reviews*

### ***Management Comments (cont'd)***

We will close this recommendation once we verify that USTRANSCOM has developed, documented, and implemented processes and procedures for properly executing the triannual review that include identifying responsible personnel, coordination with the Office of Secretary of Defense (Comptroller) and Air Force, and detailed instructions to ensure reports are correctly prepared based on Office of Secretary of Defense guidance. The Deputy Commander, USTRANSCOM, estimated that the recommendation would be implemented by September 30, 2017. Please see the Recommendations Table on the next page.

## Recommendations Table

Management	Recommendations Unresolved	Recommendations Resolved	Recommendations Closed
Director, Program Analysis and Financial Management Directorate, United States Transportation Command.	None	1.a, 1.b, 1.c	None

Note: The following categories are used to describe agency management’s comments to individual recommendations.

- **Unresolved** – Management has not agreed to implement the recommendation or has not proposed actions that will address the recommendation.
- **Resolved** – Management agreed to implement the recommendation or has proposed actions that will address the underlying finding that generated the recommendation.
- **Closed** – OIG verified that the agreed upon corrective actions were implemented.





**INSPECTOR GENERAL  
DEPARTMENT OF DEFENSE  
4800 MARK CENTER DRIVE  
ALEXANDRIA, VIRGINIA 22350-1500**

August 9, 2017

MEMORANDUM FOR COMMANDER, UNITED STATES TRANSPORTATION COMMAND  
DIRECTOR, PROGRAM ANALYSIS AND FINANCIAL MANAGEMENT  
DIRECTORATE, UNITED STATES TRANSPORTATION COMMAND

SUBJECT: United States Transportation Command Triannual Reviews  
(Report No. DODIG-2017-108)

We are providing this report for information and use. The United States Transportation Command (USTRANSCOM) did not perform triannual reviews (TARs) in accordance with applicable regulations. Without accurate TARs, USTRANSCOM and the Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, may not have had reliable financial information for making informed decisions. We conducted this audit in accordance with generally accepted government auditing standards.

We considered management comments on a draft of this report when preparing the final report. Comments from the Deputy Commander, USTRANSCOM conformed to the requirements of DoD Instruction 7650.03; therefore, we do not require additional comments. We appreciate the courtesies extended to the staff. Please direct questions to me at (703) 601-5945.

A handwritten signature in cursive script that reads "Lorin T. Venable".

Lorin T. Venable, CPA  
Assistant Inspector General  
Financial Management and Reporting

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## Acronyms and Abbreviations

# Introduction

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## Objective

We determined whether the United States Transportation Command (USTRANSCOM) performed its triannual reviews (TARs) of certain financial transactions in accordance with applicable regulations. Specifically, we determined whether the TARs provided reasonable assurance that unliquidated obligations, accounts payable, unfilled customer orders, and accounts receivable transactions were valid, accurate, and complete.

## Background

USTRANSCOM is the sole manager of the United States global defense transportation system. According to the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, Financial Improvement and Audit Readiness (FIAR) Plan Status Report, USTRANSCOM enables the United States to project and sustain forces, whenever, wherever, and as long as the resources are needed through coordination of people and transportation assets.<sup>1</sup> USTRANSCOM accomplishes its mission using five components: the Military Surface Deployment and Distribution Command, Military Sealift Command, Air Mobility Command, Command Staff, and Defense Courier Division. These five components use three different accounting systems to record financial transactions for USTRANSCOM, which is the reporting entity. For FY 2016, USTRANSCOM reported \$8.4 billion in Total Budgetary Resources. Of these Total Budgetary Resources, USTRANSCOM reported \$1.8 billion in total unpaid obligations. Additionally, USTRANSCOM reported \$1.3 billion in accounts receivable and \$0.7 billion in accounts payable.<sup>2</sup>

USTRANSCOM was identified as an Other Defense Organization subject to a standalone audit of its financial statements by the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, Financial Improvement and Audit Readiness (FIAR) Plan Status Report.<sup>3</sup> According to the FIAR plan, Other Defense Organizations will be audited as individual entities beginning with the FY 2018 financial statements. Collectively, these entities accounted for about 23 percent of DoD FY 2015 budgetary resources.

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<sup>1</sup> Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, "Financial Improvement and Audit Readiness (FIAR) Plan Status Report," November 2016.

<sup>2</sup> Unfilled Customer Orders is not a specific line on USTRANSCOM's financial statements; therefore, we did not include the dollars in the report.

<sup>3</sup> Office of the Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, "Financial Improvement and Audit Readiness (FIAR) Plan Status Report," November 2016.

## **Triannual Reviews**

The DoD Financial Management Regulation (DoD FMR) requires a triannual review (TAR) of commitments, unliquidated obligations, accounts payable, unfilled customer orders, and accounts receivable.<sup>4</sup> The review serves as a critical internal control for ensuring that DoD's obligation and disbursement balances are valid, accurate, and complete. A well-executed and documented TAR will provide evidence of the reasonableness of open balances in support of financial statement auditability.

According to the DoD FMR, the TAR control is four-tiered.

1. Fund Holders at individual components, including service level components, perform the TAR by checking the validity of transactions that support outstanding obligations and the balances of accounts payable, unfilled customer orders, and accounts receivable. Specifically, fund holder's document review results, maintain documentation supporting the balances, and initiate corrective actions.
2. The Budget Submitting Officers confirm and consolidate TAR responses and work products from fund holders. Additionally, budget-submitting officers are responsible for performing and documenting their own review to help ensure that the fund holder's review is performed according to requirements.
3. The Assistant Secretaries and Comptrollers confirm that fund holders prepared the TAR packages and that the budget submitting officers reviewed the packages. Additionally, the Assistant Secretaries and Comptrollers document these reviews and submit a component level package to the FIAR Directorate.
4. The FIAR Directorate at the Office of Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, selects a sample of Component level packages to review to ensure that the TAR control was performed in accordance with DoD FMR requirements.

## **Review of Internal Controls**

DoD Instruction 5010.40 requires DoD organizations to implement a comprehensive system of internal controls that provides reasonable assurance that programs are operating as intended and to evaluate the effectiveness of the controls.<sup>5</sup> We found that USTRANSCOM did not have an effective TAR process. We will provide a copy of the final report to the senior official responsible for internal controls in USTRANSCOM.

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<sup>4</sup> DoD Regulation 7000.14-R, "DoD Financial Management Regulation," volume 3, chapter 8, "Standards for Recording and Reviewing Commitments and Obligations."

<sup>5</sup> DoD Instruction 5010.40, "Managers' Internal Control Program Procedures," May 30, 2013.

## Finding

### USTRANSCOM Did Not Perform Triannual Reviews

We focused on May 31, 2016, and September 30, 2016, for our review. USTRANSCOM did not perform TARs during this period in accordance with the DoD Financial Management Regulation. This occurred because Program Analysis and Financial Management Directorate (the Directorate) personnel did not develop required processes and procedures to complete TARs. In addition, Directorate personnel stated that FIAR workload priorities precluded TAR reporting efforts. Instead, Directorate personnel limited their review to actions on a manually created open document listing (ODL) that did not contain all open obligations as required by the DoD Financial Management Regulation.<sup>6</sup> As a result, USTRANSCOM was unable to determine whether unliquidated obligation balances of \$1.8 billion, accounts payable balances of \$0.7 billion, accounts receivable balances of \$1.3 billion, and unfilled customer orders were valid, accurate, and complete. Furthermore, USTRANSCOM was unable to provide sufficient supporting documentation that it properly reported balances for these four accounts. Consequently, USTRANSCOM and Office of Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, management may not have had reliable financial information to make informed decisions. If USTRANSCOM does not improve its actions to complete the TARs, it may negatively affect USTRANSCOM's FY 2018 full financial statement audit.

### Critical Internal Control Was Not Implemented

We focused on May 31, 2016, and September 30, 2016, for our review. USTRANSCOM did not perform TARs during this period in accordance with the DoD FMR for its five components. The TAR serves as a critical internal control for ensuring that DoD's obligation and disbursement balances are valid, accurate, and complete. A well-executed and documented TAR will provide evidence of the reasonableness of open account balances in support of financial statement auditability.

USTRANSCOM personnel stated that they did not include transactions for accounts receivable, accounts payable, and unfilled customer orders in the ODL, only obligation data. Although the ODL is supposed to contain all open obligations, the Directorate staff was unable to demonstrate or support that the ODL included all open obligation transactions. For example, the Directorate staff could not

<sup>6</sup> We consider an open obligation as the amount of goods or services ordered, which have not been received and amounts have not been prepaid or advanced.

reconcile amounts included on the ODL to general ledger accounts and financial reports. The Directorate staff needed this information to make informed financial decisions. The Directorate staff had taken appropriate actions to verify obligation transactions on the ODL as valid to establish a reliable balance of open obligations. However, Directorate personnel will have unreliable starting data to conduct future TARs if there are not verified balances for the current period activity. Furthermore, incorrect TARs and unsupported data may negatively affect USTRANSCOM’s FY 2018 full financial statement audit. USTRANSCOM Program Analysis and Financial Management Directorate personnel should immediately implement a plan with milestones to complete a correct and supported TAR.

USTRANSCOM’s ODL only consisted of the transactions for Command Staff and the Defense Courier Division. These two divisions accounted for only about 4.5 percent of the USTRANSCOM total budgetary resources. Therefore, nearly 95.5 percent of USTRANSCOM’s budgetary resources were not being monitored by the Directorate staff under the TAR requirements, and the scope of USTRANSCOM’s current review efforts did not meet the DoD FMR requirements. The following table shows USTRANSCOM’s FY 2016 total budgetary resources by component.

*USTRANSCOM’s FY 2016 Total Budgetary Resources by Component*

USTRANSCOM Component	FY 2016 Total Budgetary Resources	Percent of Total Budgetary Resources
Command Staff and Defense Courier Division	\$377,382,573	4.5
Military Sealift Command, Military Surface Deployment and Distribution Command, and Air Mobility Command	8,015,736,409	95.5
<b>Total USTRANSCOM Budgetary Resources</b>	<b>\$8,393,118,982</b>	<b>100.0</b>

Source: USTRANSCOM Combining Statement of Budgetary Resources for the period ended September 30, 2016.

Instead, the Directorate staff provided only obligation data on the ODL. The Directorate staff manually created the ODL spreadsheet and used the ODL to provide obligation data submissions for two of the five USTRANSCOM components, Command Staff and Defense Courier Divisions.

The remaining three components, Air Mobility Command, Surface Deployment and Distribution Command, and Military Sealift Command, provided financial data necessary for TAR reporting through the respective chains of command and not directly through USTRANSCOM reporting. For example, the Air Mobility Command provided USTRANSCOM personnel with transactions derived from the Air Force TAR. USTRANSCOM personnel researched and provided results through the Air Mobility Command back to the Air Force. Subsequently, these transactions

were included as part of the Air Force TAR reporting. Surface Deployment and Distribution Command, (Army) and Military Sealift Command (Navy) used similar processes to provide feedback regarding account balances included in Army's and Navy's TAR reporting.<sup>7</sup> However, the Directorate staff did not perform reviews of commitments, unliquidated obligations, accounts payable, unfilled customer orders, and accounts receivable to ensure the validity of the USTRANSCOM funds.

During FY 2017, USTRANSCOM directorate personnel requested that FIAR personnel provide guidance for reporting information on the USTRANSCOM TAR when there is overlap with the Services. FIAR personnel directed USTRANSCOM staff to work with the Services to decide what transactions each would report on the respective TARs. For example, FIAR personnel recommended that the Air Force should separate the Working Capital Fund USTRANSCOM transactions from the Air Force and perform the necessary review. Since Air Force and USTRANSCOM are separate reporting entities, two separate TARs should be prepared and reviewed. Furthermore, FIAR personnel recommended that a Memorandum of Understanding or Memorandum of Agreement should define the roles and responsibilities, timelines, and the way forward for each component's preparation of the TAR. Performing well-executed and documented TARs provides evidence of the reasonableness of open balances in support of auditable financial statements. This includes the FY 2018 full financial statement audit.

In summary, the DoD FMR requires all components to complete a TAR. Because USTRANSCOM is a component, they should complete a TAR. This is important because the TAR reporting process partially relies on samples based on materiality levels. These materiality levels would be different for USTRANSCOM and the Services. Therefore, different transactions would need to be reviewed depending on whether the USTRANSCOM or the Services perform the review.

## Processes and Procedures Did Not Exist

The Directorate personnel did not develop processes and procedures to complete TARs as required by the DoD FMR. The DoD FMR requires the Assistant Secretaries and Comptrollers, including USTRANSCOM, to establish standard procedures for completing the TAR, which must address:<sup>8</sup>

- standard queries, standard reports, or both to ensure the completeness of data extracted;
- file naming, file structure, and data fields for supporting documentation;

<sup>7</sup> We did not assess the Services' TAR reporting processes for appropriateness because the scope of our audit was limited to only assessing the USTRANSCOM TAR process.

<sup>8</sup> DoD Regulation 7000.14-R, "DoD Financial Management Regulation," volume 3, chapter 8, "Standards for Recording and Reviewing Commitments and Obligations."

- processes to properly record the status of each commitment, obligation, payable, unfilled customer order, and receivable;
- minimum document statuses that should be reported, which include “valid,” “adjusted,” “canceled,” or “awaiting contract review by the Defense Contract Audit Agency;”
- processes to prepare and report results with the correct status of each balance in a standard reporting format to allow management analysis and decision-making; and
- component-specific documentation that is required to support each obligation, commitment, unfilled customer order, receivable and payable.

These standard procedures are important to ensure that the required reviews and identified corrective actions are completed in a timely manner. From a financial audit perspective, as identified in the DoD FMR, one outcome of a well-executed and documented TAR is to provide evidence of the reasonableness of open balances in support of auditable financial statements. The TAR policies and procedures should include detailed instructions to ensure reports are prepared for submission in the DoD standard format and contain the valid, accurate, and complete status of each fund balance.

Because USTRANSCOM personnel did not perform TARs in accordance with the DoD FMR, they were unable to determine whether unliquidated obligation balances of \$1.8 billion, accounts payable balances of \$0.7 billion, accounts receivable balances of \$1.3 billion, and unfilled customer orders were valid, accurate, and complete. Furthermore, USTRANSCOM was unable to provide sufficient supporting documentation; therefore, we were unable to obtain reasonable assurance that those balances were properly reported. Consequently, USTRANSCOM and the Office of Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, management may not have fully reliable financial account information to make informed decisions. USTRANSCOM staff should immediately develop and implement processes and procedures to execute TARs that meet the DoD FMR requirements to ensure transactions are properly recorded, TAR reports are prepared in the DoD standard format, and all reported balances are valid, accurate, and complete. Moreover, the processes and procedures should identify the staff positions responsible for properly executing TARs.

## **Other Work Took Precedence Over the TAR**

USTRANSCOM Directorate personnel stated that FIAR workload priorities precluded their TAR reporting efforts. Directorate personnel stated that they had competing demands in preparation of the FY 2018 full financial statement audit. As a result, staff limited their review to actions on the ODL.

## Management Actions Taken

In November 2016, the Directorate staff began implementing a phased approach to completing TARs as required. The Directorate anticipates completing the implementation of its plan in September 2017. Once the plan is fully implemented, we request that the USTRANSCOM Director, Program Analysis and Financial Management Directorate, notify the DoD OIG. We will review and evaluate the implementation of the plan to determine whether DoD FMR requirements were met after USTRANSCOM notifies us that all associated actions are complete.

## Recommendation, Management Comments, and Our Response

### ***Recommendation 1***

**We recommend that the Director, Program Analysis and Financial Management Directorate, United States Transportation Command, develop and implement processes and procedures to execute triannual reviews in accordance with DoD Regulation 7000.14-R, “DoD Financial Management Regulation,” volume 3, chapter 8, “Standards for Recording and Reviewing Commitments and Obligations.” The processes and procedures at a minimum should:**

- a. Identify staff positions responsible for executing proper triannual reviews.**

### *United States Transportation Command Comments*

The Deputy Commander, USTRANSCOM, agreed stating that the Director, Program Analysis and Financial Management Directorate, will develop, document, and implement processes and procedures for the triannual review that include identifying responsible personnel. The Deputy Commander estimated completion by September 30, 2017.

### *Our Response*

Comments from the Deputy Commander addressed the specifics of the recommendation. Therefore, the recommendation is resolved but remains open. We will close Recommendation 1.a once we verify that the Director, Program Analysis and Financial Management Directorate has developed, documented, and implemented processes and procedures for the triannual review that include identifying responsible personnel.

- b. Include detailed review requirements to ensure that each commitment, obligation, accounts payable, unfilled customer order, and accounts receivable are properly recorded in the general ledger.**

*United States Transportation Command Comments*

The Deputy Commander, USTRANSCOM, agreed stating that USTRANSCOM would coordinate with the Office of Secretary of Defense (Comptroller) and Air Force to develop revised processes and procedures for completing the triannual review. The Deputy Commander estimated completion by September 30, 2017.

*Our Response*

Comments from the Deputy Commander addressed the specifics of the recommendation. Therefore, the recommendation is resolved but remains open. We will close Recommendation 1.b once we verify that USTRANSCOM has developed, documented, and implemented processes and procedures for the triannual review that include coordination with the Office of Secretary of Defense (Comptroller) and Air Force.

- c. Include detailed instructions to ensure reports are prepared for submission in the DoD standard format and contain the valid, accurate, and complete status of each fund balance.**

*United States Transportation Command Comments*

The Deputy Commander, USTRANSCOM, agreed stating that the triannual review processes and procedures would include detailed instructions to ensure reports are correctly and accurately prepared based on Office of the Secretary of Defense guidance. The Deputy Commander estimated completion by September 30, 2017.

*Our Response*

Comments from the Deputy Commander addressed the specifics of the recommendation. Therefore, the recommendation is resolved but remains open. We will close Recommendation 1.c once we verify that USTRANSCOM has developed, documented, and implemented processes and procedures for the triannual review that include detailed instructions to ensure reports are correctly and accurately prepared based on Office of the Secretary of Defense guidance.

# Appendix

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## Scope and Methodology

We conducted this performance audit from October 2016 through June 2017 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

To accomplish the objectives, we reviewed the DoD FMR to develop the procedures performed during this audit. We met with the Chief, Joint Finance Center, Program Analysis and Financial Management Directorate, and personnel who were responsible for performing the TAR process to obtain and review the policies and procedures in place for management controls over the TAR. We requested the TAR reports performed by USTRANSCOM for the periods of May 31, 2016, and September 30, 2016. However, USTRANSCOM did not perform the TARs as required; therefore, we reviewed the documentation that USTRANSCOM prepared and submitted to the Office of Under Secretary of Defense (Comptroller)/Chief Financial Officer, DoD, instead of the TAR report.

## Use of Computer-Processed Data

We did not use computer-processed data to perform this audit.

## Prior Coverage

No prior coverage has been conducted on USTRANSCOM processes relating to triannual reviews during the last 5 years.

# Management Comments

## United States Transportation Command



**UNITED STATES TRANSPORTATION COMMAND**  
508 SCOTT DRIVE  
SCOTT AIR FORCE BASE, ILLINOIS 62225-5357

11 July 2017

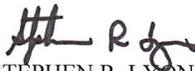
MEMORANDUM FOR DEPARTMENT OF DEFENSE INSPECTOR GENERAL

FROM: TCDC

SUBJECT: Management Comments on Draft Report, "United States Transportation Command Needs to Perform Triannual Reviews," June 13, 2017 (Project No. D2016-D000FS-0219.000)

1. The United States Transportation Command (USTRANSCOM) staff has reviewed the subject report and concurs with comments.

2. For additional information or assistance, please contact [REDACTED], TCIG, at [REDACTED] or email: [REDACTED] or [REDACTED]

  
STEPHEN R. LYONS  
Lieutenant General, USA  
Deputy Commander

Attachment:  
USTRANSCOM response

cc:  
TCJ8

## United States Transportation Command (cont'd)

### **Needs to Perform Triannual Reviews,” June 13, 2017 (Project No. D2016-D000FS-0219.000)**

Recommendation. “We recommend that the Director, Program Analysis and Financial Management Directorate, United States Transportation Command, develop and implement processes and procedures to execute triannual reviews in accordance with DoD Regulation 7000.14-R, “DoD Financial Management Regulation,” volume 3, chapter 8, “Standards for Recording and Reviewing Commitments and Obligations.” The processes and procedures at a minimum should:

- a. “Identify staff positions responsible for executing proper triannual reviews (TAR).”

USTRANSCOM RESPONSE: Concur. Director, Program Analysis and Financial Management Directorate, will develop, document, and implement processes and procedures to execute a triannual review to include identifying responsible personnel. The estimated completion and implementation is for Period 3 TAR 2017, which ends 30 Sep 17.

- b. “Include detailed review requirements to ensure that each commitment, obligation, accounts payable, unfilled customer order, and accounts receivable are properly recorded in the general ledger.”

USTRANSCOM RESPONSE: Concur. In coordination with Office of Secretary of Defense (Comptroller) and Air Force, as the executive agent, USTRANSCOM will develop revised processes and procedures for completing the TAR. USTRANSCOM will include detailed review requirements in our TAR instructions. The TAR plan will include systems changes in coordination with SAF/FM as well as training requirements for responsible personnel. The estimated completion and implementation is Period 3 TAR 2017, which ends 30 Sep 17.

- c. “Include detailed instructions to ensure reports are prepared for submission in the DoD standard format and contain the valid, accurate, and complete status of each fund balance.”

USTRANSCOM RESPONSE: Concur. Detailed instructions will be included to ensure reports are correctly and accurately prepared based on revised OSD guidance. The estimated completion and implementation is for Period 3 TAR 2017, which ends 30 Sep 17.

## Acronyms and Abbreviations

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<b>FIAR</b>	Financial Improvement and Audit Readiness
<b>FMR</b>	Financial Management Regulation
<b>ODL</b>	Open Document List
<b>TAR</b>	Triannual Review
<b>USTRANSCOM</b>	United States Transportation Command

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