



***United States Marine Corps
Office of the Inspectors General***

Training Symposium

Naval Audit Service

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NAVAUDSVC Mission and Vision

Mission

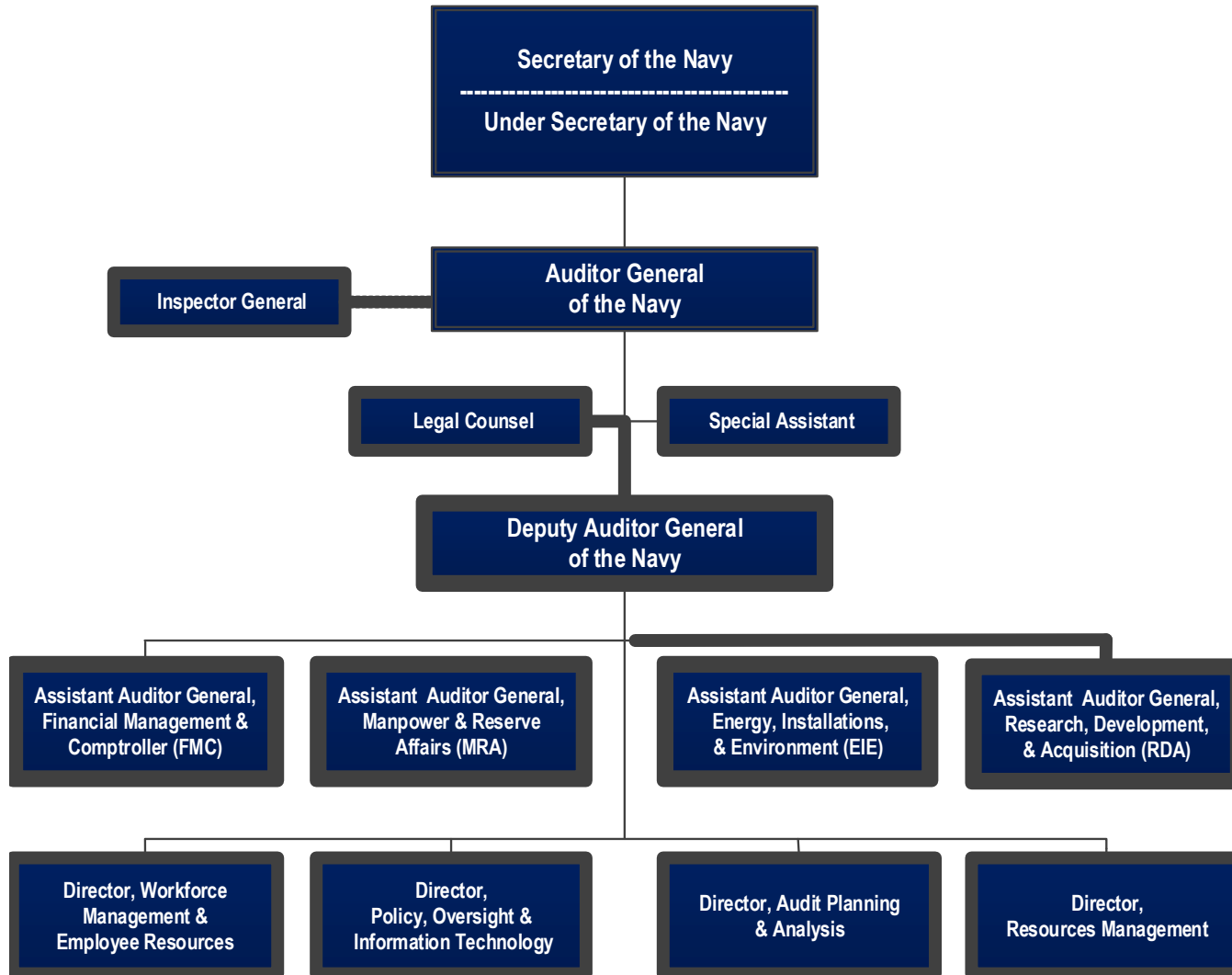
Provide independent and objective audit services and products to assist Department of the Navy leadership in assessing risk to improve efficiency, accountability, and program effectiveness

Vision

Be a highly-respected audit organization comprised of engaged professionals delivering high quality, results-oriented, independent, internal audit services and products that benefit Sailors and Marines, Department of the Navy civilians, and American taxpayers by improving operations, increasing efficiency, and reducing risk



Notional Organization Structure





NAVAUDSVC Profile

- Functionally aligned with the Assistant Secretaries of the Navy
- Funded at approximately \$47 million
 - 95% of the budget is for civilian salaries
 - 5% is for training, travel, and other costs/contracts
- Authorized 315 (as of 10 May 2019)/Onboard 288 (as of 23 July 2019) civilian employees in 3 locations
 - Washington, DC - 230
 - Norfolk, VA - 26
 - San Diego, CA – 32



Internal Audit vs. Inspections

- Both are oversight functions:
 - Is an independent, objective assurance activity designed to add value and improve an organization's operations
 - Helps an organization accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes
- Internal Audit:
 - Must comply with Generally Accepted Government Auditing Standards (GAGAS)





People

- 3 Ps (People, Processes, and Procedures)
 - Attrition Rate
 - Direct Hire Authority

- GS series 0511 auditors
 - Competition for highly professional, ethical, and diverse workforce
 - Bachelors Degree (24 hours of Accounting)
 - Continuing Professional Education (GAGAS)
 - 20 hours per year, 80 hours every 2 years, 24 of 80 must be in auditing/technical (audited) area
 - Certifications
 - DoD Financial Management Certification (required per NDAA)
 - CPA, CIA, CGFM, CISA, CFE, etc.
 - Defense Auditor Certifications (Acquisition, Logistics, & Financial)



Workforce Challenges



RMA Associates
Auditors. Consultants. Advisors.



Grant Thornton





Capabilities

Priority	Focus
Financial Integrity	Financial Statement Auditability
Manpower and Personnel	Healthcare and Member/Family Support Services
	Suicide Prevention
Security	Anti-Terrorism/Force Protection
	Cyber Security
Intelligence and Sensitive Activities	Classified Activities
Acquisition Integrity	Contract Management
	Husbanding Services Provider Program
Criminal Activities	Detect fraud, waste, abuse, and mismanagement by partnering with Naval Criminal Investigative Service/Defense Criminal Investigative Service



Processes

- Annual Audit Plan includes approximately 70 audits
 - Programs, processes, and capabilities across the Navy and Marine Corps
 - Risk and Opportunity Assessment
- Sources of Audit Topics:
 - Congressional Requests
 - GAO High Risk Areas
 - National Defense Strategy
 - DON Priorities/Requests from DON Senior Leadership (SES/Flag Officers)
 - DON Business Operations Plan
 - Requests for Investigative Assists (NCIS, DCIS, AIO, NAVIG, IGMC)
 - Auditor General Identified Risks (via Senior Leadership)
- FY2018 Productivity
 - 67 projects completed; \$97M in monetary benefits identified (2:1 ROI)



USMC Audits - Completed

- Metrics for FY 2014 to date – 46 reports with 155 recommendations
 - Open: 83
 - Closed: 64
- Topics Covered:
 - Purchase Card
 - Defense Travel System Vouchers
 - Time and Attendance
 - Military Construction
 - Supply Requisition, Receipt, and Disposition Process
 - Standard Requisitioning and Issue Procedures
 - Basic Housing Allowance
 - Depot Maintenance
 - Hearing Conservation
 - Anti-Terrorism and Force Protection
 - Law Enforcement
 - Contract Administration
 - Substance Abuse
 - Suitability Screenings
 - Morale, Welfare and Recreation Programs
 - Security Programs
 - Electric Billing
 - Flying Hours



For Official Use Only

QUESTIONS



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