

	Financial Audit	Inspector General (IG) Audit
What	<p>What is a financial audit?</p> <ul style="list-style-type: none"> A financial audit is performed by an independent auditor who evaluates whether an organization's financial statements are fairly presented and in accordance with appropriate accounting standards Audit results reveal whether appropriate budgetary measures exist and are utilized, and whether the accounts the organization is presenting to the public and taxpayers are accurate and justified 	<p>What is an IG audit?</p> <ul style="list-style-type: none"> An IG audit is performed by the Office of the Inspector General and evaluates an agency's operations to determine whether federal funds are being spent efficiently and effectively Audit results reveal if recommendations are required for reducing costs, eliminating fraud, waste, and abuse of authority and if practices are in place that comply with laws, regulations, and policy
	<p>What are a financial audit's focus areas?</p> <ul style="list-style-type: none"> Financial audits highlight any issues on an organization's financial statement. Items that are audited include: <ul style="list-style-type: none"> General Ledger Receipts and Invoices Accounts Payable Accounts Receivable Appropriations Received Accountable Property Systems of Record 	<p>What are an IG audit's focus areas?</p> <ul style="list-style-type: none"> While IG audits may include a financial aspect, the primary focus is on programmatic and organizational areas. Focus areas include: <ul style="list-style-type: none"> DoD acquisitions process Contract administration and oversight process Financial management Health and safety Cybersecurity
How	<p>How does a financial audit differ from an IG audit?</p>	
	<ul style="list-style-type: none"> Financial audits focus specifically on financial statements to provide a detailed review of the organization's financial information Financial audits highlight any inconsistent, missing, and/or incorrect information on a financial statement Financial audits are conducted by an independent auditor 	<ul style="list-style-type: none"> IG audits provide a review of the organization as a whole IG audits call out priorities that may not directly impact an organization's financial statement, such as personnel differences and process issues IG audits are conducted by the Office of the Inspector General
When	<p>When will the DON financial audits occur?</p> <ul style="list-style-type: none"> All DoD Component's financial statements are mandated to be audit ready by 2017 The DON is being required by Secretary Panetta to assert the Statement of Budgetary Resources (SBR) by 2014. The SBR is a key part of the financial statements, as it summarizes the flow of funds in and out of the DON. 	<p>When do IG audits occur?</p> <ul style="list-style-type: none"> IG audits occur annually based on challenges presented in the DoD Agency Financial Report The IG's audit priorities are determined by a combination of factors including a program's dollar value, vulnerability to fraud, waste and abuse, and prior audit coverage IG audits may also occur at the request of Congress, the DoD, or the public
	<p>Where Where is additional information on audit readiness available? Additional information about the DON's current efforts to achieve audit readiness can be found via the following link: http://www.fmo.navy.mil/AuditReadiness/audit_readiness_information_center.html</p>	