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ALCOAST 018/11

COMDTNOTE 7500

SUBJ: USCG FINANCIAL MANAGEMENT AND FY 2011 AUDIT READINESS

A. COMDT COGARD WASHINGTON DC 27010Z DEC 10/ALCGFINANCE 043/10

B. COMDT COGARD WASHINGTON DC 221854Z MAR 10/ALCOAST 135/10

1. OVER THE PAST 2 YEARS, WE HAVE MADE EXCELLENT PROGRESS IN IMPROVING OUR FINANCIAL MANAGEMENT PROCESSES AND REPORTING. TODAY, WE ARE SIGNIFICANTLY BETTER AT ACCOUNTING FOR OUR PROPERTY, DOCUMENTING OUR PERSONNEL AND PAY TRANSACTIONS, AND EXECUTING COMMITMENTS AND OBLIGATIONS. LAST YEAR, WE REACHED A MAJOR MILESTONE BY BECOMING THE FIRST MILITARY SERVICE TO FULLY RECONCILE ALL PAY TRANSACTIONS. WE PROCESS OVER THREE AND A HALF BILLION DOLLARS IN MILITARY PAYROLL EACH YEAR AND EVEN A SMALL ERROR WOULD HAVE A LARGE IMPACT. IN ADDITION, WE CAN NOW FULLY ACCOUNT FOR NEARLY 80 PERCENT OF OUR 66 BILLION DOLLARS IN ASSETS AND LIABILITIES. THIS ACCOMPLISHMENT WOULD NOT HAVE BEEN POSSIBLE WITHOUT YOUR DEDICATED EFFORTS TOWARD PROPERTY INVENTORIES OVER THE LAST YEAR.

2. EVERYONE INVOLVED HAS DONE GREAT WORK TO DATE, AND YOUR DEDICATION IS HAVING A SIGNIFICANT IMPACT ON OUR SERVICES FINANCIAL MANAGEMENT PROCESSES AND REPORTING. WE HAVE MUCH MORE TO DO AS WE PREPARE FOR THIS YEARS FINANCIAL AUDIT. WE NEED YOUR CONTINUED SUPPORT. THE SECRETARY AND THE COMMANDANT ARE COMMITTED TO MOVING THE COAST GUARD AND DHS TO NEW LEVELS OF ACHIEVEMENT THIS YEAR. IT WILL IMPACT ALMOST EVERYONE IN THE COAST GUARD, AND OUR OBJECTIVE FOR THIS FISCAL YEAR IS TO PROPERLY ACCOUNT FOR NEARLY ALL ASSETS AND LIABILITIES. WE WILL ALL PLAY A ROLE IN THIS EFFORT. THE FINANCIAL AUDIT MEASURES OUR FINANCIAL HEALTH AND THE QUALITY OF OUR STEWARDSHIP AND MANAGEMENT OF EQUIPMENT, FUNDS, PROCUREMENT, INFORMATION, AND FACILITIES.

3. THIS YEARS AUDIT WILL INVOLVE MANY MORE PARTS OF THE COAST GUARD. ALTHOUGH WE DO NOT KNOW EXACTLY WHAT THE AUDITORS WILL WANT TO SAMPLE,

OR WHAT PROCESSES THEY WILL WANT TO TEST, MANY OF YOU WILL BE REQUIRED TO PROVIDE SUPPORTING DOCUMENTATION TO VALIDATE YOUR TRANSACTIONS. THE AUDIT BEGINS THIS MONTH, AND I EXPECT THE NEED FOR INFORMATION WILL BEGIN ALMOST IMMEDIATELY. WHEN YOU RECEIVE DIRECTION TO PROVIDE DOCUMENTATION, YOU WILL ONLY HAVE A SHORT PERIOD OF TIME, ONE TO TWO DAYS, TO RESPOND. WE CANNOT MISS THE WINDOW FOR THAT RESPONSE. TO HELP YOU PREPARE FOR THIS YEARS AUDIT DEMANDS, A DOCUMENTATION SUPPORT MATRIX HAS BEEN PUBLISHED ON THE COMDT (CG-85) PORTAL [HTTPS://CGPORTAL.USCG.MIL/CTL/RPDKSM](https://CGPORTAL.USCG.MIL/CTL/RPDKSM). FOR EVERY FINANCIAL DOCUMENT, THIS MATRIX IDENTIFIES THE APPROPRIATE SUPPORTING DOCUMENTATION THAT MUST BE RETAINED AND THE ORGANIZATIONAL ELEMENT REQUIRED TO RETAIN IT. REF A AND B CONTAIN FUNDS EXECUTION AND FISCAL GUIDANCE. COMDT (CG-8) WILL PROVIDE CUSTOMIZED TRAINING FOR FINANCIAL MANAGEMENT, STOREKEEPER, AND PROCUREMENT PERSONNEL AT MULTIPLE LOCATIONS OVER THE NEXT SEVERAL MONTHS, TO ENSURE THAT WE ARE BEST POSITIONED FOR AUDIT SUCCESS.

4. ONCE AGAIN, I ASK FOR YOUR CONTINUED SUPPORT AND AM POSITIVE THAT YOU WILL CONTRIBUTE YOUR VERY BEST TO THIS YEARS AUDIT. AUDIT READINESS IS EVERYONES BUSINESS. WE NEED ALL HANDS ON DECK TO SUCCEED THIS YEAR, SO THAT WE CAN BUILD UPON THE SUSTAINABLE PROCESSES AND SYSTEMS TO ALLOW US TO MAINTAIN SUCCESS IN THE FUTURE.

5. POCS: RDML K. TAYLOR, ASSISTANT COMMANDANT FOR RESOURCES AND CHIEF FINANCIAL OFFICER, (202)372-3470 AND MS. M. SHERIDAN, DIRECTOR OF FINANCIAL OPERATIONS AND COMPTROLLER, (202)372-3421.

6. VICE ADMIRAL SALLY BRICE-O HARA, VICE COMMANDANT, SENDS.
BT
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