
GAO

United States General Accounting Office
Accounting and Information
Management Division

October 1995

**Defense Financial
Audits Issue Area

Active Assignments**

065360/155840

GAO/AA-95-28(4)

Foreword

This report was prepared primarily to inform Congressional members and key staff of ongoing assignments in the General Accounting Office's Defense Financial Audits issue area. This report contains assignments that were ongoing as of October 2, 1995, and presents a brief background statement and a list of key questions to be answered on each assignment. The report will be issued quarterly.

This report was compiled from information available in GAO's internal management information systems. Because the information was downloaded from computerized data bases intended for internal use, some information may appear in abbreviated form.

If you have questions or would like additional information about assignments listed, please contact Lisa Jacobson, Director, Defense Financial Audits Issues on (202) 512-9508.

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CFO-FINANCIAL STATEMENTS & SYSTEMS

TITLE: REVIEW OF NAVY'S FINANCIAL OPERATIONS AND SYSTEMS (918813)

BACKGROUND : The Government Management Reform Act of 1994 (P.L. 103-356) amended the CFO Act to establish requirements for audited agency financial statements and U.S. Government consolidated financial statements. Unlike the other services, Navy has never attempted to prepare CFO-type financial statements

KEY QUESTIONS : (1) What problems do Navy and DFAS face in preparing financial statements that meet CFO Act, GMRA, and OMB requirements? (2) What actions are needed to address the problems? (3) How do problems affect budgetary reporting and status of funds?

TITLE: CFO IMPLEMENTATION OF THE U.S. AIR FORCE (918824)

BACKGROUND : The Air Force's FY 95 budget is about \$75 billion. GAO and Air Force Audit Agency (AFAA) financial audits identified many actions needed to accurately account for AF funds and control resources. Recent AFAA work has shown that the Air Force has not yet achieved substantive improvement to its financial operations, though numerous enhancements are planned.

KEY QUESTIONS : (1) Is the Air Force developing the systems, organization, and financial reporting and auditing capabilities required by the CFO Act? (2) Is the Air Force responding to the NPR recommendations and high-risk issues pertaining to its financial operations? (3) Are financial audits adequate to support the consolidated financial statement audits of the U. S. government?

OTHER ISSUE AREA WORK

TITLE: EVALUATION OF THE OPERATIONS AND INTEROPERATIONS OF AIRCRAFT SITUATIONAL AWARENESS, AIR IDENTIFICATION, AND OTHER RELATED AVIONIC SYSTEMS (707133)

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OTHER ISSUE AREA WORK

TITLE: JOINT MANAGEMENT OF COLOCATED MILITARY BASES (709160)

BACKGROUND : The requestors believe there is the potential for significant savings from jointly managing military bases located in close proximity of each other under a single, multi-base commander. They have asked GAO to explore the feasibility of this concept, as well as, identify and provide recommendations to overcome potential barriers.

KEY QUESTIONS : (1) What has been DOD's experience with consolidated management of base functions supporting multiple bases, with or without a single, multi-base commander? (2) What are the potential cost savings from jointly managing co-located bases with or without a single commander? (3) What impediments, if any, exist to further expand this concept?

