March 25, 2021

The Honorable Lloyd J. Austin III
Secretary of Defense
1000 Defense Pentagon
Washington, D.C. 20301-1000

Dear Secretary Austin,

As members of the Senate Armed Services and Budget Committees, we write to encourage the timely completion of a fourth consecutive, financial statement audit of the Department of Defense. Financial statement audits are critical to bringing accountability to our budget through identifying taxpayer savings and guaranteeing mission focus of the budget. To achieve these goals in accountability, we must ensure a timely, thorough, and complete audit of the Department of Defense.

As you know, the Department of Defense has successfully completed agency wide audits the past three consecutive years. We commend the Pentagon’s efforts and acknowledge the role that these audits hold in bringing increased transparency to the budget. While previous audits have generated additional clarity in the Pentagon’s budget, there is a substantial amount of progress that must be made to reach a completely clean unqualified opinion audit of the DoD.

Audits have significantly improved transparency of the budget each year. Through the audit in fiscal year 2020, auditors reviewed approximately $2.9 trillion in assets. Additionally, the audit identified more than $700 million in savings to be made through process improvements, and the DoD was able to resolve over 530 findings from the previous year’s audit in fiscal year 2019. While last year’s audit achieved numerous successes in accountability, only 7 of the 24 agencies in the DoD were able to produce “clean” financial statement audits. It is imperative that the DoD produce thorough and unqualified opinion audits in all agencies to improve business operations, enhance national security and identify vulnerabilities in our largest department’s budget.

While audits can be costly, their benefits outweigh the expense. Financial statement audits can cost close to $1 billion to execute and remediate, therefore it is critical that they are timely and efficient. DoD must begin this process now to ensure that they are able to complete a
A comprehensive financial statement audit that provides opportunities for accountability in the future.

An unqualified opinion audit of the Department of Defense is critical for keeping our budget on mission, finding savings for taxpayers, and ensuring military success. Again, we urge the timeliness completion of a thorough financial statement audit of the Department of Defense in fiscal year 2021 and maintain the significance of this action in achieving a transparent budget.

Sincerely,

ANGUS S. KING, JR.
United States Senator

MIKE BRAUN
United States Senator

MAZIE K. HIRONO
United States Senator

TIM KAIN
United States Senator

KEVIN CRAMER
United States Senator

TOM COTTON
United States Senator

TAMMY DUCKWORTH
United States Senator

MARK KELLY
United States Senator

MARSHA BLACKBURN
United States Senator

DAN SULLIVAN
United States Senator