

# United States Senate

WASHINGTON, DC 20510

September 11, 2020

The Honorable James Inhofe  
Chairman  
Committee on Armed Services  
United States Senate  
Washington DC 20510

The Honorable Adam Smith  
Chairman  
Committee on Armed Services  
U.S. House of Representatives  
Washington, DC 20515

The Honorable Jack Reed  
Ranking Member  
Committee on Armed Services  
United States Senate  
Washington, DC 20510

The Honorable Mac Thornberry  
Ranking Member  
Committee on Armed Services  
U.S. House of Representatives  
Washington, DC 20515

Dear Chairmen Inhofe and Smith, Ranking Members Reed and Thornberry, and Conferees:

We are writing to support the inclusion of provisions in the NDAA conference report that would encourage the Department of Defense to earn a clean audit opinion. In particular, we encourage the inclusion of section 1003 from the Senate-passed NDAA which would require the Comptroller to establish incentives for each department to achieve an unqualified audit opinion on its financial statement. Additionally, we support the inclusion of section 1005 from the House-passed NDAA, which would require the DOD to report as part of their audit remediation plan the amount of money spent on operating and maintaining financial management systems and the amount spent on acquiring new financial management systems.

Thirty years ago, Congress passed the Chief Financial Officers Act, which required each executive agency to achieve a clean opinion on a full financial statement audit. The Department of Defense remains the only agency unable to meet this requirement. We know that one of the most significant barriers to a clean opinion is the DOD's outdated and broken accounting systems. Yet, despite billions of dollars invested in upgrading financial management systems, little progress has been made.

Until a clean audit opinion can be reached, we have no assurances that taxpayer dollars are not being lost to waste, fraud, and abuse. Providing for the national defense is important, and every dollar wasted to fraud or abuse, mismanaged or lost, is a dollar not spent on ensuring our men and women in uniform have what they need to perform their mission.

Therefore, we urge you to include section 1003 from the Senate-passed NDAA, section 1005 from the House-passed NDAA, and other provisions that would help the DOD achieve a clean opinion.

Sincerely,

A handwritten signature in blue ink that reads "Chuck Grassley".

Charles E. Grassley  
United States Seantor

A handwritten signature in blue ink that reads "Bernard Sanders".

Bernard Sanders  
United States Senator

A handwritten signature in blue ink that reads "Ron Wyden".

Ron Wyden  
United States Senator

A handwritten signature in blue ink that reads "Michael S. Lee".

Michael S. Lee  
United States Senator

A handwritten signature in blue ink that reads "Michael B. Enzi".

Michael B. Enzi  
United States Seantor