



# NEWS RELEASE

## Defense Commissary Agency

Office of Communication

1300 E Avenue Fort Lee, VA 23801-1800

Tel: (804) 734-8000, Ext. 4-8524 DSN: 687-8000, Ext. 4-8524

FAX: (804) 734-8248 DSN: 687-8248

[www.commissaries.com](http://www.commissaries.com)

---

**Release Number:** 46-10  
**Date:** May 10, 2010  
**Contact:** Kevin Robinson, public affairs specialist  
**Tel.:** (804) 734-8000, Ext. 4-8773  
**E-mail:** [kevin.robinson@deca.mil](mailto:kevin.robinson@deca.mil)

## Commissaries continue open, efficient, excellent accountability of taxpayer funds

*By Kevin L. Robinson,  
DeCA public affairs specialist*

**FORT LEE, Va.** – When it comes to managing and accounting for taxpayer funds, the Defense Commissary Agency does it better than most. For the eighth straight year, DeCA’s financial statements have been rated excellent. In the accounting world, this achievement is called a “clean audit” or an “unqualified opinion.”

“We never get tired of doing right by the American taxpayer in delivering a strong commissary benefit that is fiscally sound,” said DeCA Director and CEO Philip E. Sakowitz Jr. “Financial accountability has become part of the culture in our stores, our regions and our headquarters. At all levels, our employees are dedicated to excellence in fiscal responsibility.”

Since 2002, DeCA has joined the Military Retirement Fund, Defense Finance and Accounting Service, and Defense Contract Audit Agency as the only Defense Department agencies to maintain a clean audit opinion.

Keeping a keen eye on the commissary benefit’s financial statements is a tremendous undertaking, considering that DeCA generates nearly \$6 billion in annual sales and receives close to \$1.3 billion in federal funding. During fiscal 2009, DeCA delivered \$2.77 billion in savings to its customers, including more than \$4 million in savings to its Guard and Reserve customers through on-site sales. The commissary agency also invested more than \$280 million of its surcharge funds toward new commissaries, renovations to existing stores and new equipment.

The foundation for a clean audit is built upon “a commissary agency workforce that is dedicated to full disclosure when it comes to financial reporting,” said Pam Conklin, DeCA’s chief financial executive.

“We can never become complacent with our successes of the past eight years,” she said. “This agency will remain vigilant regarding its financial reporting.”

To prepare for the audit, agency accountants collect financial data during each quarterly reporting period. Auditors from KPMG, an international auditing firm, later review the agency’s internal controls and financial statements. These auditors check reports for efficiency and accuracy in areas such as time and attendance, annual inventories of resale stocks, equipment inventories, property accountability, and information technology controls over financial systems throughout the DeCA landscape.

This evaluation also examines DeCA’s financial connection to organizations such as Defense Finance and Accounting Service-Columbus, Ohio. Findings can range from “no opinion” to an “adverse opinion” to an “unqualified opinion” – the highest possible ruling.

With the agency already into the third quarter of fiscal 2010, the path toward a ninth clean audit is lined by “commissary employees whose ownership and hard work are reflected in open and efficient business practices,” said Larry Bands, DeCA’s director of accounting. “From our employees at store level to our financial reporting team, we have a role in maintaining the strength of the commissary benefit.”

**-DeCA-**

**About DeCA:** *The Defense Commissary Agency operates a worldwide chain of commissaries providing groceries to military personnel, retirees and their families in a safe and secure shopping environment. Authorized patrons purchase items at cost plus a 5-percent surcharge, which covers the costs of building new commissaries and modernizing existing ones. Shoppers save an average of more than 30 percent on their purchases compared to commercial prices – savings worth about \$3,300 annually for a family of four. A core military family support element, and a valued part of military pay and benefits, commissaries contribute to family readiness, enhance the quality of life for America’s military and their families, and help recruit and retain the best and brightest men and women to serve their country.*