



NEWS RELEASE

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Release Number: 40-11
Date: April 28, 2011
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Excellence in financial accountability

Commissaries continue efficient reporting of taxpayer funds

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

FORT LEE, Va. – When it comes to accounting for taxpayer funds, the Defense Commissary Agency has proven that every dollar counts. For the ninth consecutive year, independent auditors have rated DeCA’s financial statements as excellent.

In the accounting world, an excellent rating on the review of a corporate financial statement is called a “clean audit” or an “unqualified opinion.” Since 2002, DeCA has been one of four Defense Department agencies to maintain a clean audit opinion. The others are the Military Retirement Fund, Defense Finance and Accounting Service, and Defense Contract Audit Agency.

“As the topic of government spending dominates the headlines these days, this agency has been a leader for fiscal accountability for nearly a decade,” said DeCA Director and CEO Joseph H. Jeu. “This independent review gives our customers confidence that our financial statements are accurate as reported and accessible for review.”

DeCA’s financial statements reflect the agency’s use of appropriated funds to deliver the commissary benefit. The agency generates nearly \$6 billion in annual sales and receives nearly \$1.3 billion in appropriated funding. During fiscal 2010, DeCA delivered \$2.69 billion in savings to its customers, including more than \$4 million in savings to its Guard and Reserve customers through on-site sales. The agency also invested nearly \$300 million of its surcharge funds toward replacement commissaries or renovations to existing stores and new equipment.

The path toward a clean audit begins and ends with DeCA employees who have dedicated themselves to be “good stewards of taxpayer dollars,” said Larry Bands, DeCA’s chief financial executive.

“This audit touches everyone in DeCA from store level to the highest senior executive,” he said. “This level of review says that we account for, record and report the funds received and expended by the agency in support of the commissary benefit.”

To prepare for the annual audit, agency accountants collect financial data during quarterly reporting periods. Auditors from KPMG, an international auditing firm, later review the agency’s financial statements along with internal controls over financial processes. They check DeCA’s 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.

The audit also examines DeCA’s financial connection to organizations such as Defense Finance and Accounting Service-Columbus, Ohio. Results 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 2011, DeCA is well on its way toward achieving favorable audit results for the 10th straight year thanks to a corporate culture of accountability that permeates its operations from headquarters to the stores, said Cynthia L. Morgan, DeCA’s director of accounting.

“This type of audit can be challenging, but very rewarding,” she added. “It takes a team that is dedicated to getting the job done and that truly believes in the importance of financial integrity to make this happen year after year.”

-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 amounting to thousands of dollars annually. For current savings figures for various groups – single member up to a family of seven – visit <http://www.commissaries.com>. 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.*