

# THE MCNAFAS CHRONICLE

SUMMER/FALL 2003



## From the Director's Chair

Fiscal Year 2003 has come to a close; where has the time gone? During the year we completed our Quality Assurance reviews of the Northeast, Southeast, Southern, and Far East Regions. I'm proud to announce they ALL passed with flying colors. Congratulations Marines on a job well done.

**Recruitment and Training.** I'd like to welcome aboard our four newest members of the MCNAFAS family - **GySgt LeVasseur, GySgt Messam, Sgt Hudson, and Sgt Miley.** As we conduct our 2004 Quality Assurance and site visits, we look forward to getting to know each of our Marines.

**Updates.** Mr. Don Callaway and his wife JoAnn said farewell on 31 July after 35 and 37 years of federal service, respectively. **Mr. Robert F. (Bob) Kassel** is now the Head, Audit and Review Branch for the Programs and Resources Department, HQMC.

**In Memory.** Members of MCNAFAS bid a farewell to **Captain Donald J. St. Pierre (Retired)** who passed away this July.

**Regional Directors Conference.** At this year's conference, the standardized financial and performance report formats for MCNAFAS were finalized and will soon be published for use. The June 2003 changes to the General Accounting Office's Government Auditing Standards (The Yellow Book) have been incorporated into our

FY04 Audit Plan to reflect that a Performance and Financial Related type audit no longer exists.

**Promotions.** Congratulations to all Marines selected for promotion this past year. Especially **GySgt Dunmeyer and GySgt Pearson** who will be promoted to Warrant Officer in February 2004. Best wishes to both Marines while attending The Basic School at Quantico, Virginia.

**Retirements.** MCNAFAS bid a fond farewell to **CWO5 Ken LaRose and CWO2 Rafael Roman.**

**Audit of MCNAFAS.** The Naval Audit Service (NAS) final report has been published which recommends civilians to accomplish the MCNAFAS mission of auditing the Marine Corps' nonappropriated fund activities. Our nonconurrence is strongly supported by **Mr. Kassel and LtGen Magnus**, Deputy Commandant for Programs and Resources. As we continue to keep Marines looking after Marines, please keep in mind that the professionalism, qualifications, and effectiveness of the MCNAFAS auditors have never been questioned. That is something we can all be proud of.

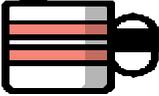
Semper Fidelis Marines.

*Donald C Scott*

### Table of Contents

From the Director's Chair	1
Freshly Brewed from the Top Java	2
Regional Updates	3
Auditor Articles	8

# FRESHLY BREWED FROM THE TOP JAVA



by MGySgt Peters

Greetings Marines! I hope everything is going well for you and your families. Now that Labor Day has past, Summer has come to an end and Fall is here. I hope all enjoyed a nice time filled with barbeques and family gatherings. The fiscal year 2003 has also come to an end and a new auditing season is upon us. Fiscal year 2003 was a good auditing year that provided many value added audits for our customers. I say, "Job Well Done".

I traveled to most of the regions this summer. I truly enjoyed visiting the different offices and meeting everyone. Hopefully it wasn't my last go-around. What a great job; the opportunity to travel and meet a very talented group of Marines that share a lot of camaraderie. It is good to see everyone working together as a team. Because our field is comprised of Marines from various MOS's, each of you possess unique experiences and perspectives that benefit the MCNAFAS as a whole. Some of you have been around the MCNAFAS a while and have gained lots of auditing experience and knowledge, while others bring new and fresh ideas along with experiences of leadership that we expect from our corps of SNCO's.

Congratulations to our Marines selected to Staff Sergeant, Gunnery Sergeant and Warrant Officer!! Good luck to those waiting for the Master Gunnery Sergeant and Master Sergeant board. Congratulations to those that passed a professional certification or parts of one. You continue to make the MCNAFAS one of the most highly skilled auditing organizations in the Department of Defense. We truly are carrying on with our vision of creating a highly professional, credible, forward thinking organization dedicated to excellence.

Remember, promotions tend to come quicker for us than in the rest of the Fleet Marine Force. With this in mind, make sure you plan ahead for your Professional Military Education requirements for the next grade; don't put it off.

As always, recruiting qualified Marines is at the top of my list. All of our hard work in this area continues to pay off. We are getting good, qualified Marines from a variety of MOS's. Please continue to Recruit, Recruit, Recruit!!! I appreciate your hard work and dedication in this area. Please continue to pass the word about the great opportunities we have to offer. Again, thank you for your efforts.

Semper Fi,

MGySgt Peters





# NORTHEAST REGION

## Que Pasa, Northeast Region?

**Congratulations** are in order for **CWO5 LaRose** for passing the Certified Government Financial Management and the Certified Government Auditing Professional certifications. Also, congratulations to **GySgt Denno**, who passed the Certified Government Auditing Professional certification.

**Well Wishes** to **MGySgt and Mrs. Tibbetts** on their 8<sup>th</sup> wedding anniversary. Poor Helen still has to deal with the grumpy old Master Guns; she has our sympathies and prayers. But fear not, she still can put him in his place when need be. Also, Master Guns recently celebrated his 18<sup>th</sup> year in MCNAFAS. Boy, what a crusty old fart! Master Guns, isn't it time for you to retire to make room for the younger Marines?

Also, congratulations go out to the following NER MCNAFites who had wedding anniversaries this past period: **GySgt Denno** – 16<sup>th</sup>, **GySgt Tensley** – 13<sup>th</sup>, **GySgt Reynolds** – 18<sup>th</sup>, **SSgt Davis** – 11<sup>th</sup>, and **Sgt May** – 3<sup>rd</sup>.

The Northeast Region would like to take this time to wish a very happy birthday to the following Marines at NER:

**Major Croffie** 24 June  
**WO Beeman** 09 July  
**GySgt Reynolds** 03 August

## Lethal Auditors

Congratulations to **WO Beeman, GySgt Atkins** and **Sgt Hudson** on their completion of the required Tan Belt Training. It should be noted that **GySgt LeVasseur** already possesses his gray belt. **GySgt Reynolds** is scheduled to attend the three-week Green Belt trainer course in November.

## Welcome Aboard

We are pleased to announce the additions of **CWO4 Keehan, GySgt LeVasseur** and **Sgt Hudson** to the NER staff. **CWO4 Keehan**, formerly of the FER, joined us on 27 June, **GySgt LeVasseur** reported aboard on 15 May 2003 and **Sgt Hudson** reported aboard on 15 August.

## Farewell and Following Seas

We would like to take this opportunity to wish **GySgt Hartman**, who retired on 30 June 2003, the very best in his next endeavor. By the way, **GySgt Hartman** has gone from teaching Marines to teaching high school students.

To **Captain Donald J. St. Pierre** on his passing on 6 July 2003: you will be sorely missed by your family and friends.

## Deadlines, and more Deadlines

During this quarter we published the following audit reports:

Augmented Dining Fund, Quantico, VA.  
Revenue Cycle, MCCA, Quantico, VA

## Recruiting

**SSgt Garland, SSgt Daniels** and **Sgt McCawley** are the latest outstanding prospects for the 3441 MOS.





# Southeast Region

## HELLO FROM CAMP LEJEUNE

**Hardy congratulations** to **GySgt Dunmeyer** and **GySgt Pearson** for being selected to Warrant Officer.

Congrats also go to **CWO2 Ray**, **GySgt Pearson**, **GySgt Salcedo**, and **SSgt Perrington** for pinning on their current rank.

Congrats go out to **CWO2 Ray** for completing his CIA and CGAP certifications. Congrats also to **GySgt Pearson** for completing part III of his CIA exam.

“Farewell” to **SSgt Perrington**, who decided to return to the civilian community after seven years of faithful service.

All personnel that attended this year’s “European Run” had a great time in this 10K cross country run that included going through chest-high streams and plenty of mud.

All hands are at least “Tan Belt” qualified with two “Gray Belts”.

The last few early mornings show that the Lejeune winter (as mild as it is) is on its way. Time to do that yearly fire wood assessment.

Take Care,

From the SER.



## Southern Region

### GREETINGS FROM THE LOW COUNTRY

Congratulations to **Captain Miller’s family**. **Monique** gave birth to **Robert Ethan Miller** on 12 Aug 2003. **Ethan** weighed 9 lbs and was 20 inches at birth. Both **Mike and Monique** are proud parents. **Ethan likes riding the bus to school**.

**Scholastic/Professional**. Congratulations to **Master Sergeant Munn**; he earned the CGAP designation in May 2003.

**MCNAFAS East Coast Picnic**. Well, those who attended will tell ya it was a *hoot!* We had plenty of eats and games at the MCCA log cabin.

**Sergeant White** provided plenty of BBQ. The Southern Region walked away with the horseshoe championship. Photos were distributed to the Directors for sharing with their Regions.

**Staff Sergeant Volpp’s husband** completed his tour on the drill field. She is happy that he will be around the house a bit more. He has been selected for Gunny so he will continue to out-rank her.

Congratulations to **Gunnery Sergeant John Spencer**. He was selected as the Beaufort County’s Rotary Club Military Person of the Year. A noteworthy event aiding in his selection was his rescue of a drowning victim while volunteering as a member of the Beaufort Water Search and Rescue Squadron. **Y’all have a good day.**



# WESTERN REGION

Greetings from the Western Region (WR)!

## *HAIL & FAREWELL!*

During July we welcomed **Warrant Officer David Smith** to the WR! **WO Smith** comes to us after graduating from the WO Basic Course and by way of MCNAFAS SWR.

We bid farewell and best wishes to **SSgt Lee Hobson** during August. **SSgt Hobson** and his family are setting up temporary shelter with family in Alabama while he awaits a class assignment with the Drug Enforcement Agency (DEA). Training for DEA is held at the FBI Academy aboard Quantico. So, if you see a former MCNAFite around Quantico “packing heat”, he’s not “armed and dangerous”, it’s just one of our own, **Lee Hobson**.

## *CONGRATULATIONS!*

**GySgt Mella** is the recipient of the “Sergeant Major of the Marine Corps Writing Award” for 2002! He will receive the award at an upcoming ceremony from the Sergeant Major of the Marine Corps. **GySgt Mella** is a “two time award winner” for Leadership Credos written while attending the SNCO Career Course during 2001 and while attending the SNCO Advance Course during April 2003.

**SSgt Brown** was promoted to his current rank on 1 July! **SSgt Brown** also passed parts 1 and 2 of the CIA exam!

## *AUDIT & RELATED ISSUES:*

**Current Audits** – We recently completed a financial audit of the Religious Offering Fund, MCB Camp Pendleton and a follow-up audit on MCCS’s Finance & Accounting operations at Twentynine Palms.

In our final sprint to the finish of FY03, we closed out the year by completing audits of MCCS Camp Pendleton’s Human Resources Division and the Retail Stores located aboard the Mountain Warfare Training Center, Bridgeport, CA and in the nearby base housing area.

The focus of the Human Resources/PeopleSoft audit was to address a number of issues and concerns that have surfaced since the implementation of the PeopleSoft program. We learned a lot about PeopleSoft during the audit in our liaisons with personnel from both MR and Camp Pendleton. In an upcoming issue, we hope to share some of what we learned from this audit.





# Southwest Region

**Promotions/Reenlistments/Retirements – SSgt Rodriguez** re-enlisted on 17 October for four years. **GySgt Bates** re-enlisted in May 2003 for four years. Congratulations!!!

**MSgt Kevin Scharfenkamp** began his terminal leave on 17 October and will retire from the Marine Corps in November 2003. He will begin his new job as an excise tax auditor for the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), U.S. Department of Justice, in November. **MSgt Scharfenkamp** has been an invaluable asset to the SWR and MCNAFAS. We wish **Kevin, Anacita,**

**Carmen, and Carol** the best of luck.

**New Auditors – SSgt Johnson** reported to the SWR for duty during June. Although not new to the MCNAFAS family, **SSgt Johnson** has been working on the completion of her degree under the SNCO Degree completion program.

**SSgt Johnson** was previously stationed at the MCNAFAS Western Region. Welcome aboard!!!



# HAWAII REGION

**Hello from the  
Hawaii Region.**

Here's what the Aloha region has been up to since the last newsletter.

**HQ MCNAFAS. LtCol Scott** and **MGySgt Peters** joined us for a visit from 8 through 14 August. They informed us of the new MCNAFAS rank pyramid, and updated us on the latest response to the Naval Audit report on civilianizing our positions.

**MOS Training.** The first week in June all three staff auditors attended training in San Diego, California. They even got to meet some of their fellow MCNAFITES. **Sgts Renfroe and Vigil** attended *Operational Auditing* while **SSgt Kitchen** attended *Tools and Techniques for the Beginning Auditor*. **MSgt Green** attended a three-day conference in Honolulu, Hawaii, sponsored by the American Accounting Association. She met professors and other professionals from around the

globe. She was also able to attend several different lectures that covered such topics as human resources, management's roles in ethics, personnel turnover in the hospitality industry, and menu engineering and labor costs. In July, **MSgt Green** and **Sgts Renfroe and Vigil** attended a two-day seminar sponsored by the Hawaii IIA chapter, Understanding and Developing COSO, CSA and CSA facilitation. The seminar did expect you to already have a working knowledge of COSO and CSA. However, it was still informative. The seminar covered the Sarbanes-Oxley Act and how it ties into developing your audit program to ensure that the Act is addressed. For CSA, the lecturer was able to provide several ways to manage a group discussion. We found this very informative and expect to use some of these as interviewing techniques.

Then there is **CWO-3 Byerly**. He has been quite the frequent flyer. On July 21<sup>st</sup> he

*(Continued on page 7)*



# HAWAII REGION

*(Continued from page 6)*

departed for the Regional Director's conference in Quantico, Virginia. He returned just long enough to be here for our visit from HQ MCNAFAS, and then left again for 5 lovely days of TAD in San Francisco for the Financial Managers' conference. He brought back pictures as proof he attended.

**Military Training.** Since the last newsletter, **MSgt Green and Sgt Vigil** obtained their Tan Belt in June. In July, **SSgt Kitchen and Sgt Vigil** qualified as CWS2 and **MSgt Green** re-qualified as a CWS2. **MSgt Green and CWO3 Byerly** also re-qualified with the 9mm service pistol.

**School.** **SSgt Kitchen and Sgt Vigil** are still on track with their respective education plans and will

be finished with their B.S.'s in Accounting this September. **SSgt Kitchen** was allowed to walk across the stage early since he will be leaving us for Camp Pendleton later this year. **Sgt Vigil** will walk across the stage January '04. Both are already planning to sit for the CIA exams, parts I and II this November. They're still working on us for their character references.

**Promotions.** The highly motivated **SSgt Kitchen** has been selected to the rank of Gunnery Sergeant and patiently waits for his number to come up.

See you on the windward side. Mahalo!

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## Nippon News

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*Welcome Aboard to:*

**WO Engel**, his wife **Marnie**, and their three children, **Katelin, Brook and Jacob**.

**WO Engel** joins us from the SER after a brief sabbatical to attend the WO Basic Course.

**GySgt Messam**, his wife **Cassandra**, and their three daughters, **A'myah, Latayah, and LeAirrah**.

**GySgt Messam**, a former 3451, comes to us from the Management Accounting Branch where he served as Accounting Chief handling problem disbursements associated with all MCB Camp Butler accounts. **GySgt Messam** is also a MCMAP Brown Belt and a Brown Belt Instructor.

Congratulations are in order for:

**WO Engel** who recently completed his MCMAP Tan Belt qualification.

**GySgt Messam** who was promoted to his present rank on 1 Aug 03.

**SSgt Dulalia** who was promoted to his present rank on 1 May 03.

**GySgts Gaines and Aguilar** for becoming the FER's newest CIAs and CGAPs. Well done!

*(continued on page 8)*



*(Continued from page 7)*

## Audit Updates

The audit team recently returned from MCAS Iwakuni and is wrapping up a performance audit of

the Quad-Modular Club. Areas that we reviewed were: Mess, Bar, Cash, Bingo, Purchasing, Catering, and Gaming. The audit was an exciting one, and the team gained invaluable experience for their audit toolbox.

## AUDITOR ARTICLES

LIFE IN THE MCNAFAS AUDIT TRENCHES – AN OJT’S PERSPECTIVE  
**GYSGT CHRISTOPHER A. ATKINS**  
MCNAFAS NORTHEAST REGION

During the period 15 May to 24 June 2003, I had the privilege of working on the MCNAFAS Northeast Region travel audit of the Marine Corps Reserve Support Command (MCSA), Kansas City MCCS. That audit was successful from both personal and professional standpoints, as it enabled me to apply my initial, technical training and college education to accomplish the following tasks:

### **FOLLOW-UP ON PREVIOUSLY REPORTED FINDINGS**

- Completed background research by using the MCNAFAS Audits and Inventory database and reviewing hard copies of the last audit conducted on MCSA.
- Created a table listing all findings and recommendations from the prior audit to determine the status of command’s corrective action.

**FIXED ASSETS AND MEMO PROPERTY.** I interviewed management personnel to discuss processes/controls over fixed assets and

memo property. I also interviewed the Accountant/Bookkeeper concerning documentation and accounting entries for fixed assets and memo property.

**FIXED ASSETS.** To document management controls over NAF property, I selected a sample of property items from an MCCS itemized list and vouched the items by sighting them. I then created a table to document that fixed assets were fully depreciated and properly recorded on the financial statements. Additionally, I created a table to document the MCCS NAF property list.

**CASH DISBURSEMENTS.** I reviewed cash disbursements for a selected period within FY03 (Feb - May), and created a table to represent a stratified population of selected checks to verify completeness. I created two tables to review expenditures and purchase orders to ensure proper completion.

**MARINE CORPS INTERNAL MANAGEMENT CONTROL PROGRAM.** I identified

*(Continued on page 9)*

# AUDITOR ARTICLES

*(Continued from page 8)*

Internal Control Reviews from the last 3 years. I created a table of accessible units, and summarized management control actions taken to mitigate property control risks.

**CONTROLS OVER CASH RECEIPTS.** I developed a questionnaire and interviewed management on the process of cash receipts.

**IMPAC CARD.** For this area of the audit, I completed the following:

- Created a table displaying internal controls over the IMPAC card.
- Interviewed management on the processes/procedures for purchases made with the IMPAC card.
- Conducted a pilot sample of 31 nonstatistically selected expenditures over the current fiscal period to test for key control attributes.

**LEARNING EXPERIENCE FROM THE WORK PERFORMED.** I started off with creation of the Workpaper A08 (Follow-up). During my research of prior work papers, I gained some insight on the importance of tracking and completing follow-up work. I learned that the open findings should be followed up on during the subsequent audit and that all findings may not necessarily be resolved, nor all recommendations necessarily implemented, and that some recommendations may have to be deferred when circumstances warrant.

Studying the background research, I was able to compare and contrast the different areas of the past and present audits (cash disbursements vs. controls over cash disbursements).

Fixed Assets and Memo Property seemed to be the most challenging area of the audit for me. I had to learn the process of accounting for them in inventory, tracing the postings to the financial statements and the importance of tracking the assets' whereabouts (accountability). I familiarized myself with the Financial Management Regulation DoD 7000.14-R, which helped me better understand some of the processes taken by the Accountant/Bookkeeper and management for the organization to account for these items.

I was able to gain some experience during interviews from watching my Audit Chief ask open-ended questions, respond to answers and make smooth transitions to the next questions. I realized that being proficient in this process would help me get the necessary information and sometimes more than full cooperation from the auditee.

During completion of the Marine Corps Internal Management Control Program (MCIMCP) workpaper (D2F), my prior experience in this area allowed me to see how much effort it takes for management to develop an effective program for their organization. I learned the importance of determining accessible units and how complicated the selection process could be for management, and that the end result can be determined by their knowledge in this area. The opportunity to view a sample of the matrix used to mitigate the risks associated with the controls over property and NAF checks for MCCA helped to increase my experience in this area even more.

I had the opportunity to complete different tables and graphs during the analytical and statistical phases of my fieldwork, giving me insight into the different methods of sampling items. I also learned how to make better use of various software programs in order to present my tables and graphs in different forms and fashions.

*(Continued on page 10)*

# AUDITOR ARTICLES

*(Continued from page 9)*

**AREAS OF NEEDED IMPROVEMENT FROM CURRENT EXPERIENCE.** After completing this audit, I realized the importance of presenting information in my workpapers in a manner that would make it easier for another reader to comprehend what I am trying to say. I realized that my ability to write complete sentences and use structured paragraphs has opportunities for improvement.

I realized during this audit how much more I have to learn in order to be a proficient auditor. I need to concentrate on the specifics of the audit subject instead of getting side tracked by the large amounts of information obtained during research. Staying focused on the audit objectives will help me more clearly present the information I obtain and facilitate creating a workpaper more easily understood by any reviewer.

I learned that sufficient background information needs to be researched and “understood” during the survey phase in order to become more proficient during the execution phase of an audit. I will need to improve my ability to collect, comprehend and process information by utilizing the experience around me, instead of trying to do it all myself. I have developed a habit over the years of trying to improve upon what I am told to do in order to be more efficient. I now realize that in this field, the importance of following the guidance of the Audit Chief, and asking lots of questions when in doubt, could make an enormous difference when it pertains to completing a workpaper.

I will need to study/review other workpapers carefully and not just assume that the information is correct. I now realize that information changes continually in this field

and what was correctly written in the past might not necessarily be correct in the present. I will have to concentrate more on the audit process in order to learn and develop my experience as an auditor in the future.

**WRAP UP.** I wrap up this article by attempting to answer the “so what?” question that may be plaguing some of you. To some of the relatively experienced MCNAFites, my account may not be a big deal. However, I am sure my OJT peers may find one or two valuable points from the foregoing account to assist them in their quest for MCNAFAS audit experience.



# SPECIAL EVENTS

## Promotions

Those recently promoted to their current rank:

<b>Capt Wascom</b> (SWR)	<b>CWO3 Byerly</b> (HR)	<b>CWO2 Hanks</b> (SWR)
<b>CWO2 Rappel Schmid</b> (WR)	<b>CWO2 Ray</b> (SER)	<b>MGySgt Roach</b> (WR)
<b>GySgt Salcedo</b> (SER)	<b>GySgt Messam</b> (FER)	<b>SSgt Brown</b> (WR)

## Birthdays

### July

<b>MSgt Scharfenkamp</b>	6
<b>SSgt Brown</b>	8
<b>WO Beeman</b>	9
<b>SSgt Rodriguez</b>	12
<b>GySgt Pearson</b>	13
<b>MSgt Edwards</b>	26
<b>GySgt Horsley</b>	26
<b>Sgt Jordano</b>	27
<b>GySgt Mella</b>	29
<b>LtCol Scott</b>	29

### August

<b>GySgt Bergmann</b>	3
<b>GySgt Reynolds</b>	3
<b>SSgt Perrington</b>	5
<b>GySgt Spencer</b>	6
<b>MGySgt Abruzzo</b>	23

### September

<b>GySgt Cousins</b>	1
<b>SSgt Johnson</b>	2
<b>CWO2 Cianciotta</b>	6
<b>MSgt Munn</b>	12
<b>SSgt Volpp</b>	20
<b>WO Engel</b>	25
<b>SSgt Dulalia</b>	27
<b>CWO4 Potter</b>	28

### October

<b>GySgt Denno</b>	2
<b>Sgt May</b>	2
<b>Capt Wascom</b>	2
<b>Maj Bradway, Jr.</b>	6
<b>Capt Miller</b>	6
<b>Sgt Vigil</b>	6
<b>CWO5 LaRose</b>	11

### October

<b>GySgt Hutchins</b>	12
<b>GySgt Schmitt</b>	12
<b>GySgt Atkins</b>	16
<b>GySgt Levasseur</b>	16
<b>Sgt Renfroe</b>	17
<b>Capt Schlotterer, Jr.</b>	18
<b>MSgt Ethridge</b>	23
<b>GySgt Salcedo</b>	23
<b>CWO2 Ray</b>	24
<b>GySgt McKoy</b>	25