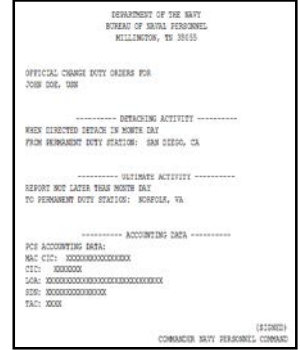## What

What is the Military Permanent Change of Station (MILPCS) work stream and what are its primary functions?
- MILPCS Segment is the official business process responsible for funding the official assignment relocation of an Active Duty or Full Time Support (FTS) military service member – along with authorized dependents.
- PCS move types include Accession, Training, Operational, Rotational, Separation, and Unit Moves.
- Approximately 180,000 MILPCS moves are issued on an annual basis.

What is a financial audit and what does it mean to be "audit ready"?
- A financial audit is an independent evaluation of whether an organization's financial statements are fairly presented and in accordance with appropriate accounting standards.
- Audit readiness means being prepared at all times to demonstrate that proper manual and automated processes and documentation (e.g., process controls, financial controls, Information Technology (IT) controls) are carried out accurately and consistently, per current policies and accounting standards.
- For example, the Department of Defense (DoD) Financial Management Regulation (FMR) mandates that payment offices receive a DD 1351-2 and a valid copy of PCS orders prior to processing a travel settlement.

Example of PCS Orders

Why

Why is it important for MILPCS to be audit ready?
- Audit readiness increases the accuracy of financial statements, produces more effective business processes, and prevents potential legal violations to better support the Sailor.
- Audit readiness enables the resource holder to make more timely decisions based on accurate and reliable information. For example, audit readiness may provide the Department of the Navy (DON) the ability to issue additional PCS orders based on cost savings.

When

When must MILPCS be prepared for an audit?
- On October 13, 2011, the Secretary of Defense issued a memorandum that emphasized the importance of being prepared for a full financial audit by 2017 and laid out a timeline for intermediate audit readiness milestones.
- On December 3, 2014 the FY15 Schedule of Budgetary Activity (SBA) Audit was awarded to Cotton & Company. This will be the first full audit of the SBA.
- The audit will be conducted in four phases (planning, controls, testing and reporting) which began in December 2014 and will span 12 – 17 months. Navy Stakeholders will be most heavily involved in the controls and testing phases.

Who

Who has a stake in MILPCS audit readiness?
- Achieving MILPCS audit readiness is an all-hands effort. Support is required first and foremost from
  - Navy service members
- Additional support is needed from specific Navy Commands and even some DoD level commands:
  - Chief of Naval Personnel (CNP) & Navy Personnel Command (NPC)/Navy Pay & Personnel Support Center (NPPSC)
  - Naval Supply Systems Command (NAVSUP)
  - Fleet Forces Command (FFC)
  - Pacific Fleet Command (PACFLT)

How

How can Sailors assist the MILPCS segment to be audit ready ?
- Submit all receipts and travel claim packages to Personnel Support Detachments (PSDs) in a timely manner, per the Joint Federal Travel Regulations (JFTR, Vol. 1), and the DOD Financial Management Regulations (DODFMR ,Vol. 9).
- Check documentation thoroughly to ensure all necessary claims and expenses are submitted.

How can Afloat/Ashore PSDs help to ensure that MILPCS is audit ready?
- Retain travel claim settlement packages for Sailors in accordance with the Joint Federal Travel Regulations (JFTR, Vol. 1) and the DOD Financial Management Regulations (DODFMR ,Vol. 9).
- File claims in a timely and accurate manner, entering all information in the relevant accounting system with 100% accuracy.

How can Command PASS Coordinators (CPCs) support MILPCS audit readiness?
- Ensure documentation submitted by the member is accurate and complete.
- Submit members' claims and supporting documentation to PSDs in a timely manner and follow up if necessary.

Where

Where can one find additional information on MILPCS and Navy audit readiness?
Additional information on audit readiness and MILPCS activities can be found via the following links:
- FAQs
- FIAR Guidance
- Joint Travel Regulations
- Announcing the SBA