



DEPARTMENT OF DEFENSE
WASHINGTON HEADQUARTERS SERVICES
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WASHINGTON, DC 20301-1155



OCT 16 2014

MEMORANDUM FOR DIVISION CHIEFS, ENTERPRISE MANAGEMENT
DIRECTORATE

SUBJECT: Fiscal Year 2015 Managers' Internal Control Program

Department of Defense (DoD) Instruction (DoDI) 5010.40, "Managers' Internal Control Program (MICP) Procedures," assigns responsibilities and establishes procedures for the MICP within the DoD, pursuant to section 3512 of Title 31, United States Code, The Federal Managers' Financial Integrity Act, and Office of Management and Budget Circular No. A-123. The MICP requires Component Heads to submit annual statements of assurance providing reasonable assurance that internal controls are in place and operating as intended to prevent loss of Government resources, or fraud, error, or mismanagement that may cause an agency to fail to accomplish significant mission objectives.

It is essential that all Enterprise Management Directorate (EMD) leaders continuously evaluate the programs, operations, and administrative areas under their control. To enhance the scope and depth of their evaluations, leaders should use a variety of methods, including internal and external audits, investigations, inspections, and management/MICP assessments; Government Accountability Office and Inspector General reports; and other formal and informal feedback.

Additionally, attached is an information paper that you may find useful in implementing the MICP program, including links to online MICP training and an example performance objective for a MICP Assessable Unit Manager. If you have any questions concerning the EMD MICP, please contact Jason Boykin, at Jason.O.Boykin.civ@mail.mil, or (703) 697-1542.

Albert C. Ellett
Acting Director, Enterprise Management
Directorate

Attachment:
As stated

INFORMATION PAPER

SUBJECT: Managers' Internal Control Program

This information paper provides links to MICP Web-based training and sample performance standard verbiage for component assessable unit managers. These tools may be useful in executing the MICP requirements of DoD Instruction 5010.40. If you have any questions, or require additional information, please contact the POC listed below.

MICP Web-based Training: <http://comptroller.defense.gov/fiar/micp.aspx>

Sample Performance Standard Verbiage for an Assessable Unit Manager (AUM)

Specific: In accordance with DoD Instruction 5010.40, "Managers' Internal Control Program (MICP) Procedures," the AUM will:

- Report assurance and track corrective actions taken to expedite prompt resolution of control deficiencies, reportable conditions, and/or material weaknesses found during internal control assessments in accordance with DoDI 5010.40 and guidance issued by the MICP Administrator.
- Maintain and fully disclose documentation in the annual statement of assurance for any material weakness found during the assessment of internal controls, including a detailed, comprehensive schedule of actions to resolve weaknesses.
- Thoroughly assess the vulnerability of the specific sub-function of the assessable unit to determine necessary controls, design and documentation of controls, placement of controls in operation, continuous monitoring, testing, identification of weaknesses, and improvement of controls, as well as tracking progress on corrective actions.
- Maintain a current list of any and all sub-assessable units and annually update the list.

Measureable: The supervisor is routinely satisfied that the employee independently complies with the requirements assigned to the MICP Administrator by DoD Instruction 5010.40 and the MICP Administrator. Deliverables are rarely returned or corrected due to noncompliance with regulations and instructions.

Aligned: Supports compliance and accountability requirements of DoD Instruction 5010.40 and complies with guidance from the MICP Administrator.

Realistic: Supervisor will ensure that employee is allotted ample time to complete MICP requirements.

Time-Based: The supervisor is routinely satisfied that compliance with laws, regulations, policies, and instructions are completed in accordance with prescribed timelines and the Component's MICP is properly evaluated and reported.

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