



ACQUISITION,
TECHNOLOGY,
AND LOGISTICS

PRINCIPAL DEPUTY UNDER SECRETARY OF DEFENSE

3015 DEFENSE PENTAGON
WASHINGTON, DC 20301-3015

MEMORANDUM FOR AT&L ORGANIZATIONS

JUL 10 2015

SUBJECT: AT&L Managers' Internal Control Program

The Managers' Internal Control Program (MICP) was established by the Federal Managers' Financial Integrity Act of 1982 and enacted to ensure efficient and effective management of government resources against fraud, waste, and abuse. Every year, the Office of the Under Secretary of Defense for Acquisition, Technology, and Logistics (AT&L) submits to the Secretary of Defense a Statement of Assurance, where I provide assurance that AT&L's controls are in place for operations, financial reporting, and compliance with applicable laws and regulations.

It is essential that all AT&L Principal Staff Assistants continuously evaluate the programs, operations, and administrative areas under their control. This includes all matters relating to technology development, the Department of Defense acquisition system (including research and development, developmental test and evaluation, production, and nuclear, chemical, and biological matters), logistics and materiel readiness, and installation and environmental management.

As we continue to improve the AT&L MICP, it is important to document your unique processes and, where standard AT&L processes are documented (i.e. travel, time, and attendance), ensure compliance. You should evaluate the internal controls to ensure you are receiving the expected results, assess risks that may prevent success, and execute the standardized processes as documented. Business processes include an activity or set of activities that will assist with performing the organization's mission. For example, a unique process to International Cooperation is the business process they follow to develop an international agreement. Documentation includes process flows and narratives, associated risk matrices, control objectives, and control activities. Where control deficiencies are identified, it is necessary to develop a corrective action plan that mitigates the risk identified.

The National Defense Authorization Act for Fiscal Year 2010 directs the Department to be audit ready by the end of FY 2017. AT&L will be required to support the audit. An effective MICP that validates a strong system of internal controls will better prepare AT&L for the audit and ensure that internal controls are in place and operating effectively. My point of contact for the AT&L MICP, who has been meeting with your MICP Coordinators, is Rosana Heraud at Rosana.M.Heraud.civ@mail.mil or 703-697-0696. Feel free to contact her for examples of supporting documentation and templates to assist with identifying internal controls and associated risk.


Alan F. Estevez