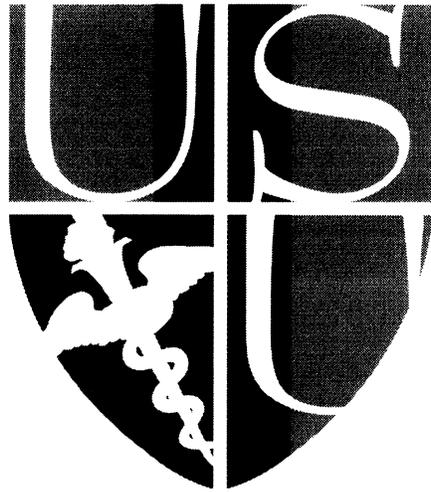


**USUHS  
INSTRUCTION  
7004**





# UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES



## SUBJECT: Managers' Internal Control Program

### Instruction 7004

(DRE)

MAY 23 2007

#### ABSTRACT

This Instruction implements Department of Defense (DoD) requirements for the Managers' Internal Control Program under the Federal Managers' Financial Integrity Act (FMFIA). To comply with the Act, each agency must establish a system of internal controls to ensure that programs and administrative functions are efficiently and effectively carried out in accordance with applicable laws and management policies; and to provide reasonable assurances each year that resources are adequately safeguarded. The concept of reasonable assurance requires that the cost of controls should not exceed the benefit derived from those controls.

USUHS department and activity heads' responsibilities include establishing internal control systems, performing management evaluations, and providing the President, USUHS, with Statements of Assurance regarding adequacy of internal controls in their individual departments/activities.

**A. Reissuance and Purpose.** This reissues USUHS Instruction 7004<sup>a</sup> to:

1. Establish the USUHS Managers' Internal Control (MIC) Program.
2. Incorporate guidance in DoD Directive 5010.40<sup>b</sup>, Title 31 USC, Section 3512<sup>c</sup> (also known as the Federal Managers' Financial Integrity Act (FMFIA) of 1982), Office of Management and Budget (OMB) Circular A-123<sup>d</sup>, OMB Year-End Internal Control Report<sup>e</sup>, OMB Guidelines for the Evaluation and Improvement of, and Reporting on, Internal Control Systems in the Federal Government<sup>f</sup>; and GAO Standards for Internal Control in the Federal Government<sup>g</sup>.

3. Establish responsibilities for the MIC

Program and for department and activity Statements of Assurance.

**B. References.** See *Enclosure 1*.

**C. Applicability.** This Instruction applies to all USUHS components.

**D. Definitions.** See *Enclosure 2*.

**E. Policies.** It is USUHS policy that:

1. The USUHS shall implement a MIC Program that will provide reasonable assurance that:
  - a. Assets are safeguarded against waste, loss, unauthorized use, and misappropriation, and that MIC internal controls emphasize prevention of waste, fraud, abuse, mismanagement, and timely

controls emphasize prevention of waste, fraud, abuse, mismanagement, and timely correction of specific weaknesses.

b. Obligations and costs comply with applicable laws.

c. Revenues and expenditures applicable to USUHS operations are recorded properly to permit the preparation of reliable financial and statistical reports, and to maintain accountability over the assets.

d. Programs and administrative functions are efficiently and effectively carried out in accordance with applicable laws and management policies. The cost of internal controls should not exceed the expected benefits.

2. The USUHS Managers' Internal Control Program shall:

a. Meet the "GAO Standards for Internal Control in the Federal Government" (see Enclosure 3), and comply with the policies and documentation requirements prescribed in this Instruction and applicable OMB documents for guidance<sup>d,e</sup>.

b. Be designed, documented, and operated to provide reasonable assurance that specific objectives enumerated in Title 31, USC, Chapter 35, Section 3512<sup>c</sup> are met.

c. Provide for the assignment of overall responsibility for program design, direction, and implementation to a designated senior management official who is accountable to the President, USUHS.

d. Involve management at all levels and assign to the manager of each assessable unit responsibility and accountability for internal controls.

e. Address all program and administrative activities involving funds, property, and other assets for which managers are responsible, to include non-appropriated fund activities.

f. Implement methods of evaluation such as computer security reviews,

financial system reviews, audits, inspections, checklists, investigations, and internal review studies.

3. Each USUHS Component shall annually submit a Statement of Assurance to the President, USUHS, based on an evaluation as to whether or not the internal controls meet the program standards, goals, and objectives. These statements will support the annual Statement of Assurance submitted by the President, USUHS, through the Director, TRICARE Management Activity, to the Secretary of Defense.

4. The Defense Finance and Accounting Service (DFAS) shall review the USUHS accounting system as part of the process for indicating whether the accounting system is in compliance with accounting principles, standards, and related requirements, as established by the General Accounting Office<sup>1</sup>.

#### **F. Responsibilities.**

1. The President, USUHS shall:

a. Ensure the establishment and the on-going operation of the USUHS MIC Program.

b. Submit the USUHS Annual Statement of Assurance through the Director, TRICARE Management Activity, by September 1<sup>st</sup> each year.

c. Assign adequate resources to ensure that the provisions of this Instruction are fully implemented.

2. The Director, Office of Review and Evaluation shall:

a. Serve as the USUHS official under OMB Circular A-123<sup>d</sup> for policy guidance, direction and coordination with DoD Components and other Federal Agencies on MIC Program matters.

b. Establish the MIC Program and oversee its implementation and operation

throughout the USUHS.

c. Issue applicable guidance to USUHS component heads by providing annual training on responsibilities and obligations using the USUHS MIC Guide, and provide technical assistance to USUHS components on MIC matters, including reporting.

d. Monitor any audit or inspection including those performed by the Inspector General (IG), DoD, General Accounting Office (GAO) or the Defense Logistics Agency (DLA), which discloses a potential weakness in USUHS MIC follow-up on the status of agreed-on corrective actions.

e. Monitor implementation of the program and establish follow-up systems to ensure acceptable performance and prompt correction of all material and other weaknesses.

f. Periodically perform MIC evaluations of USUHS components and functions, including testing.

g. Prepare for the President, USUHS, the Statement of Assurance, based on the statements of USUHS department/activity heads, for submission to the Secretary of Defense through the Director, TRICARE

Management Activity, as required by Title 31, USC, Section 3512<sup>c</sup> and OMB Memorandum by September 1<sup>st</sup> of each year.

4. The Manager of each Assessable Unit (USUHS Department and Activity Heads- See Enclosure 4), shall:

a. Provide the President, USUHS through the Director, Review and Evaluation (DRE), the requisite Statement of Assurance (see Enclosure 5) for the component as described in paragraph E.3.

b. Be responsible for implementing the department or activity's MIC plan, following the procedures in Enclosure 6.

c. Emphasize prevention and correction of waste, fraud, and mismanagement in all MIC plans and guidelines.

d. Conduct an evaluation of his/her department using either a Risk Assessment or the USUHS MIC Checklist<sup>1</sup>.

e. Ensure that accountability for the success or failure of MIC practices is reflected in performance evaluations of civilian and military managers having significant MIC responsibilities.



Charles L. Rice, M.D.  
President, USUHS

#### Enclosures

1. References
2. Definitions
3. GAO Standards of Internal Control
4. Distribution
5. Sample Statement of Assurance  
Attachment: USUHS Management Control Checklist
6. Management Control (MIC) Program: Steps for Managers

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e. Monitor implementation of the program and establish follow-up systems to ensure acceptable performance and prompt correction of all material and other weaknesses.

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d. Conduct an evaluation of his/her department using either a Risk Assessment or the USUHS MIC Checklist<sup>1</sup>.

e. Ensure that accountability for the success or failure of MIC practices is reflected in performance evaluations of civilian and military managers having significant MIC responsibilities.



Charles L. Rice, M.D.  
President, USUHS

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4. Distribution
5. Sample Statement of Assurance  
Attachment: USUHS Management Control Checklist
6. Management Control (MIC) Program: Steps for Managers

**REFERENCES**

- (a) USUHS Instruction 7004, "Internal Management Control Program," dated December 12, 2000 (hereby canceled)
- (b) DoD Directive 5010.40, "Managers' Internal Control (MIC) Program Procedures," dated January 4, 2006
- (c) Title 31, United States Code, Chapter 35, Section 3512, "Executive Agency Accounting and Other Financial Management Reports and Plans"
- (d) Office of Management and Budget (OMB) Circular No. A-123, "Management's Responsibility for Internal Control," August 5, 2005
- (e) Office of Management and Budget Memorandum, "Year-End Internal Control Report," September 26, 1983
- (f) Office of Management and Budget, "Guidelines for the Evaluation and Improvement of and Reporting on Internal Control Systems in the Federal Government," dated December 1982
- (g) General Accounting Office (GAO) "Standards for Internal Control in the Federal Government," dated September 23, 2006
- (h) "Uniformed Services University of the Health Sciences Management Control Guide," dated July, 1995
- (i) "Uniformed Services University of the Health Sciences Management Control Checklist," dated June 2006

DEFINITIONS

A. Assessable Unit. A USUHS department or activity having reporting responsibility and the capability for being evaluated.

B. Managers' Internal Controls (MIC). The plan of organization, methods and procedures adopted by management to provide reasonable assurance that the objectives of FMFIA<sup>c</sup> are met.

C. MIC Checklist. A document similar to the Risk Assessment designed for evaluating an assessable unit's operations, specifically at USUHS.

D. MIC Evaluation. A detailed evaluation of an assessable unit to determine whether adequate control techniques exist and are implemented to achieve cost effective compliance with FMFIA<sup>c</sup> using the methodology specified in the OMB Guidelines for the Evaluation and Improvement of and Reporting on Internal Control Systems in the Federal Government<sup>f</sup>. All reviews should produce written materials documenting what was done and what was found.

E. MIC Guide. The material developed for MIC training at USUHS.

F. MIC Guidelines. Reference (f) presents a suggested approach that may be adapted to meet component needs. Any such adaptation should remain in compliance with OMB Circular No. A-123 and include testing of controls and documentation.

G. MIC Program. The formal effort of an organization to ensure that MIC systems are working effectively through assignment of responsibilities at the policy level, issuance

and implementation of guidance, conduct of risk assessments and MIC reviews, provisions for quality control, and reporting to senior management.

H. MIC Standards. The GAO Standards for Internal Control in the Federal Government<sup>g</sup> issued by the Comptroller General for use in establishing and maintaining MIC systems.

I. MIC System. The sum of a department's or activity's methods and measures used to achieve the FMFIA and MIC objectives. It is not a separate system, but an integral part of the systems used to operate programs and functions.

J. Managers with Significant MIC Responsibilities. This includes top level managers, down through operational managers of all programs and activities in which funds, property, and other assets must be safeguarded against fraud, waste, abuse and mismanagement, and in which resources must be managed efficiently and effectively.

K. Material Weakness. Specific instances of noncompliance with the FMFIA of sufficient importance to be reported to the next higher level of management. Such weakness significantly impairs the fulfillment of a Component's mission; deprives the public of needed services; violates statutory or regulatory requirements of funds, property, or other assets; or results in a conflict of interest.

The final determination to categorize an

## Enclosure 2

internal control weakness as material rests with management's judgment about the relative impact of the weakness. For example, scoring each of the following considerations as "significant" or "insignificant" might help a manager in determining whether the absence of, or noncompliance with, a control is a material weakness.

1. Actual or potential loss of resources.
2. Sensitivity of the resources involved.
3. Magnitude of funds, property, or other resources involved.
4. Frequency of actual and/or potential loss.
5. Current or probable media interest. (adverse legislative action).
6. Current or probable Congressional interest (adverse publicity).
7. Unreliable information causing unsound management decisions.
8. Diminished credibility or reputation of management.
9. Impaired fulfillment of essential mission.
10. Violation of statutory or regulatory requirements.
11. Impact on information security.
12. Deprived the public of needed Government services.

L. Reasonable Assurance. A judgment by a manager based upon all available information that his/her department's or activity's systems of internal controls are operating as intended by the FMFIA<sup>c</sup>.

M. Risk Assessment. A documented review by management of a department or activity that rates an assessable unit's susceptibility to fraud, waste, abuse and mismanagement as provided in the OMB Guidelines for the Evaluation and Improvement of and Reporting on Internal Control Systems in the Federal Government<sup>f</sup>.

N. Testing. Procedures to determine through observation, examination, verification, sampling, or other procedures whether internal control systems are working in accordance with management's MIC objectives and the GAO Standards<sup>g</sup>.

## GAO STANDARDS OF INTERNAL CONTROL<sup>1</sup>

### A. General Standards

1. Reasonable Assurance. Control systems shall provide reasonable, but not absolute, assurance that the objectives of the systems shall be accomplished. (This standard recognizes that the cost of a control should not exceed its benefits, and that the benefits consist of reductions in the risks of failing to achieve the stated control objectives.)

2. Supportive Attitude. Managers and employees shall maintain and demonstrate a positive and supportive attitude toward controls at all times.

3. Competent Personnel. Managers and employees shall have personal and professional integrity and shall maintain a level of competence that allows them to accomplish their assigned duties and to understand the importance of developing and implementing good controls.

4. Control Objectives. Control objectives shall be identified or developed for each activity and shall be logical, applicable, and complete as possible.

5. Control Techniques. Control techniques shall be effective and efficient in accomplishing their control objectives.

### B. Specific Standards

1. Documentation. Control systems and all transactions and other significant events shall be documented clearly, and the documentation shall be readily available for examination.

2. Recording of Transactions and Events. Transactions and other significant events shall be recorded promptly and classified properly.

3. Execution of Transactions and Events. Transactions and other significant events shall be authorized and executed only by persons acting within the scope of their authority.

4. Separation of Duties. Key duties and responsibilities in authorizing, processing, recording, and reviewing transactions shall be separated among individuals. (MIC depends largely on eliminating opportunities to conceal errors or irregularities. Work shall be assigned so that no one individual controls all phases of an activity or transaction. This avoids creating a situation in which errors or irregularities might go undetected.)

5. Supervision. Qualified and continuous supervision shall be provided to ensure that control objectives are achieved.

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<sup>1</sup>Quoted from the GAO "Standards for Internal Control in the Federal Government"<sup>g</sup>.  
Parenthetical remarks added by the Comptroller of the Department of Defense.

6. Access to and Accountability for Resources. Access to resources and records shall be limited to authorized individuals, and accountability for the custody and use of resources shall be assigned and maintained. Periodic comparison shall be made between the resources and the recorded accountability to determine whether the two agree. The frequency of the comparison shall be a function of the vulnerability of the asset.

C. Audit Resolution Standard

Prompt Resolution of Audit Findings. Managers are to (1) promptly evaluate findings and recommendations reported by auditors; (2) determine proper actions in response to audit findings and recommendations; and (3) complete, within established time frames, all actions that correct or otherwise resolve the matters brought to management's attention.

**DISTRIBUTION**

Chief of Staff  
Vice President for Finance and Administration  
Chief Information Officer  
Assistant Vice President for Resource Management  
Director, Grant Management  
Director, Financial Management  
Director, Resource Management Information Office  
Director, University Information System  
Director, Contracting  
Assistant Vice President for Health and Safety  
Director, Security  
Assistant Vice President for Administration  
Director, Civilian Human Resources  
Director, Facilities  
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Vice President for Recruitment and Diversity Affairs  
Senior Executive Director, Continuing Education for Health Professionals  
Director, University Registrar  
Director, Learning Resource Center  
Coordinator, Multidiscipline Laboratories  
Director, Center for Informatics in Medicine  
Director, Review and Evaluation  
Office of General Counsel  
Technology Transfer  
Director, Military Training Network  
Brigade Commander  
Commandant, School of Nursing  
Commandant, Graduate School of Medicine  
Air Force Company Commander  
Navy Company Commander  
Army Company Commander  
Dean, Graduate School of Nursing  
Chair, Ph.D. Program  
Chair, Nurse Practitioner  
Chair, Nurse Anesthesia  
Chair, Preoperative Clinical Nurse Specialists  
Chair, Health Systems, Risk & Contingency Mgt.  
Chair, Health Injury & Disease Mgt.  
Dean, School of Medicine  
Associate Dean, Graduate Medical Education  
Associate Dean, Clinical Affairs  
Associate Dean, Medical Education  
Associate Dean, Graduate Education  
Associate Dean, Student Affairs  
Assistant Dean, Admissions and Acad. Records  
Assistant Dean for Simulation Education  
Chair, Anatomy, Physiology and Genetics  
Chair, Anesthesiology  
Chair, Biochemistry  
Chair, Dermatology  
Chair, Family Medicine  
Chair, Medical and Clinical Psychology  
Chair, Medical History  
Chair, Medicine  
Chair, Microbiology and Immunology  
Chair, Military and Emergency Medicine  
Chair, Neurology  
Chair, Obstetrics and Gynecology  
Chair, Pathology  
Chair, Pediatrics  
Chair, Pharmacology  
Chair, Preventive Medicine and Biometrics  
Chair, Psychiatry  
Chair, Radiology and Radiological Sciences  
Chair, Surgery  
Director, Armed Forces Radiobiological Research Institute  
Director, Military Cancer Institute

**SAMPLE STATEMENT OF ASSURANCE**

MEMORANDUM FOR PRESIDENT, UNIFORMED SERVICES UNIVERSITY OF THE  
HEALTH SCIENCES  
Through: (Management Chain)

SUBJECT: Input for FY 20\_\_ Annual Statement of Assurance Under The Federal Managers'  
Financial Integrity Act: (*Name of Assessable Unit*)

1. The (*Name of Assessable Unit*) provides the information in this memorandum in support of your forthcoming Annual Statement to the USU Executive Committee, Assistant Secretary of Defense (Health Affairs), and the Under Secretary of Defense (Comptroller).

2. As (*Title of Assessable Unit Manager*), of the (*Name of Assessable Unit*):

a. I am aware that this perhaps has significant management control responsibilities, the execution of which will be measured in my annual performance appraisal.

b. I am aware of the importance of management controls. I have taken the necessary measures to assure that program and administrative controls have been implemented and are observed within the segment of the University that is within my management responsibility.

c. I provide reasonable assurance that in the (*Name of Assessable Unit*), the objectives of management control are being met: 1) obligations and costs are in compliance with applicable law; 2) funds, property, and other assets are safeguarded against waste, loss, unauthorized use, or misappropriation, and 3) revenues and expenditures are properly recorded and accounted for to permit the preparation of accounts and reliable financial aid statistical reports and to maintain accountability, over the assets.

d. The assets, program responsibilities and mission objectives under my responsibility have been reasonably insulated against fraud, waste, and mismanagement and have not been materially impeded by deficiencies in management controls. I base this assurance on [*Note to preparer: Examples include management studies, observations, and initiatives; management knowledge; internal management review/checklists; internal/external reviews; or procedural reviews.*]

3. Provide a detailed description of how the Management Control Program has been applied or reviewed for compliance during FY 20\_\_.

4. Provide a detailed description of the problems encountered in implementing the Management Control Program, and other considerations (e.g., resource constraints, technological concerns, and operational or mission considerations) that have affected the Management Control Program during FY 20\_\_.

**Enclosure 5**

5. Describe assessments that have been conducted by including examples of deficiencies found that do not warrant reporting as a material weakness and the actions taken or planned to resolve these deficiencies during FY 20\_\_.

a. Use the following format:

**Description of Issue:**

**Accomplishments:**

6. Provide a detailed description of restrictions on constraints that limit your ability to correct Management Control Program weaknesses.

7. As (Title of Assessable Unit Manager), I continue to support the objectives of the Federal Managers' Financial Integrity Act.

*(Name of Assessable Unit Manager)*  
*(Name of Assessable Unit)*

Enclosures:  
As Stated

\*A **weakness** is a problem that infringes on the accomplishment of the unit's mission.

## UNIFORMED SERVICES UNIVERSITY OF THE HEALTH SCIENCES MANAGEMENT CONTROL CHECK LIST

1. Department or Activity Title:

2. Name and Title of Individual Responsible for Department or Activity:

**INSTRUCTIONS:** Please read each section below with respect to your department or activity. Check either Yes or No in answer to each question. If an item does not pertain to your department, check N/A. **Where appropriate, please provide detailed explanations in the comments section for each question.**

A. DEPARTMENT MANAGEMENT, OVERSIGHT, MISSION AND OPERATIONAL PLAN	Yes	No	N/A
1. I have established department goals, policies and procedures.			
2. I conduct short and long-range planning in my department.			
3. I evaluate my department accomplishments periodically throughout the year.			
4. My department is aware of, and follows, all applicable University Instructions and policy documents.			
5. My department has a mission statement and an operational plan with written and clearly defined goals and objectives that directly links to the goals and objectives of the University Strategic Plan.			
6. My department's mission and operational plan is readily available and has been disseminated to all staff and faculty.			
7. My department's administrative policies and procedures are in writing.			

Comments:

<b>B. BUDGET AND FINANCE</b>	Yes	No	N/A
1. My department's annual budget is \$ _____ .			
2. I regularly review my department's operational budget and cost code use.			
3. The FMG Monthly Managers Report is accurate, understandable and a useful management tool.			
Comments:			
<b>C. TRAVEL AND GOVERNMENT BANK OF AMERICA CARDS</b>	Yes	No	N/A
1. My department's annual travel budget is \$ _____ in FY 2007.			
2. I review, and approve, my employee's travel claims prior to submission.			
3. My employees travel claims are being submitted timely and accurately.			
4. My employees have been briefed on the proper use and payment policies for their Bank of America Travel Card.			
Comments:			
<b>D. TIME AND ATTENDANCE, OVERTIME AND COMPENSATORY TIME</b>	Yes	No	N/A
1. Supervisors in my department have knowledge of their military, civilian and contract employees' presence or absence.			
2. My department's timekeeper matches travel claims against time and attendance reports to verify leave charges as necessary.			
3. My employees submit an approved Standard Form 71, Application for Leave, or other appropriate approved leave form, to the timekeeper for recording leave.			
4. My employees receive prior approval for any overtime or compensatory time.			
5. My department spent \$ _____ in overtime during FY 2007.			

6. I have employees who participate in an Alternative Work Schedule.			
Comments:			
<b>E. CONTRACTING</b>	Yes	No	N/A
1. My department's billing official reviews all purchases made with department funds, including IMPAC.			
2. My department has had an IMPAC audit this year and all recommendations were corrected. <b>(If no, please explain in the comments section below.)</b>			
3. All transactions in my department are authorized and executed only by persons acting within the scope of their authority and all departmental purchases are maintained on file.			
4. In the past year, there were unauthorized purchases in my department.			
Comments:			
<b>F. PERSONNEL</b>	Yes	No	N/A
1. My employees receive training in the professional, technical, and security aspects of their jobs.			
2. My employees are aware of a federal Standards of Conduct and have attended appropriate training. <b>(If no, please explain in the comments section below.)</b>			
3. My employees are aware of the Management Control Program and have completed the Management Control Program online training course ( <a href="http://www.usuhs.mil/dre/Review_Eval/management_control.html">http://www.usuhs.mil/dre/Review_Eval/management_control.html</a> ).			
4. My employees are aware that government resources are for official use only.			
5. My employees are aware of provisions for conflict of interest disclosures.			
6. I have reviewed my employee's position descriptions this year; they are accurate and current.			

7. I have established performance standards for all my employees and I periodically review employees' performances and provide necessary counseling.			
8. My employees are aware of the performance-based system.			
9. I recognized some, or all, of my General Schedule and Federal Wage System employees with monetary awards this past year.			
10. I recognized some, or all of my Administratively Determined employees with monetary awards this past year.			
11. My employees are aware of, and follow, the automated out-processing procedure for separating from the University.			

Comments:

<b>G. ADP/IT CONSIDERATIONS</b>	Yes	No	N/A
1. My department has an independent network server(s).			
2. My department's network server(s) is/are registered with UIS.			
3. My departments ADP/IT systems are protected by a log-in procedure and are restricted for authorized personnel only.			
4. Computer system controls are reviewed periodically and checked for unauthorized software installations.			
5. There have been unauthorized entries to my departments ADP/IT systems this year.			
6. I review all major ADP/IT purchases in my department.			

Comments:

<b>H. PROPERTY</b>	Yes	No	N/A
1. My department ensures the protection and safeguarding of tangible assets that are vulnerable to theft or unauthorized use.			
2. I have designated a Property Custodian, and an alternate, for my department.			

3. My employees are aware of property management policies and procedures.			
4. My department utilizes the Property Pass Form #5306.			
5. There were unaccounted items on my department's last property inventory.			
6. My department submitted Forms DD200, Government Property, Loss and Damages (GPLD's), last year.			
7. My department reconciled GPLD's this year.			

Comments:

<b>I. TELEPHONES, FACSIMILE AND DUPLICATING MACHINES</b>	Yes	No	N/A
1. I am aware of all telephones and active telephone lines, all facsimile machines, and all duplicating machines in my department.			
2. I monitor the number of duplicating cards, and the personnel authorized to use them.			
3. I periodically review and monitor the use of telephones, facsimile and duplicating machines.			

Comments:

<b>J. DOOR KEYS</b>	Yes	No	N/A
1. I can account for all keys that access my department.			
2. My department has its own key custodian and only authorized personnel in my department receive appropriate keys.			
3. My employees are aware of the requirement to turn in keys when leaving the department and/or the University.			

Comments:

<b>K. LAB SAFETY CONCERNS</b>	Yes	No	N/A
1. My employees working in laboratories have had the EHS-provided Laboratory Safety and Hazard Communications training, and Bloodborne Pathogen training, if appropriate.			
2. My laboratory workers have received any necessary laboratory specific training required to safely perform their jobs commensurate with the laboratory specific hazards which are unique to my laboratory(s). I understand that I am responsible for providing for any laboratory specific training on special or hazards other than normal laboratory hazards.			
3. My employees who work with radioactive materials have had the necessary and appropriate radiological safety training provided by EHS.			
4. Controlled substances and pharmacy items are monitored and stored properly.			
5. My employees using laboratory animals have attended Investigator Training.			
Comments:			
<b>L. PERSONAL SAFETY CONCERNS</b>	Yes	No	N/A
1. To ensure personal safety, all of my employees have had appropriate EHS General Safety awareness training.			
2. My employees are aware of how to report a personal safety issue (i.e., hazardous materials, dangerous situations, etc.) and have been issued the appropriate contact telephone numbers for emergencies.			
3. My employees are aware of the location of the nearest fire extinguisher and the exit routes in the event of a fire emergency.			
Comments:			

<b>M. SECURITY CONCERNS</b>	Yes	No	N/A
1. My employees are aware that they are required to report any suspicious activities, persons, mail, or threatening telephone calls to the appropriate authorities.			
2. My employees have received necessary security briefings commensurate with the level of the work they are performing.			
3. My employees are aware that, in the event of an emergency, they should follow the instructions of any Security or Fire Department/Emergency Response personnel who are directing the flow of personnel traffic.			
4. My employees are aware that no personal or service weapons are allowed on the NNMC Bethesda Compound, except those used by official Base Law Enforcement personnel in the conduct of official Law Enforcement business.			
5. My employees are aware that they are required to return any USUHS identification badges to the Security Department upon termination of employment at USUHS.			
6. My employees are aware that, should it be necessary have visitors come aboard USUHS, they are to follow the appropriate procedures for obtaining visitor access per Security Department instructions.			
Comments:			
<b>N. RESEARCH ISSUES</b>	Yes	No	N/A
1. I review all pending and active research protocols and research activities for possible Misconduct in Science.			
2. I review research activities for appropriate Human Use.			
3. I review research activities for appropriate Animal Use.			
Comments:			
<b>O. REVIEWS AND AUDITS</b>	Yes	No	N/A
1. My department has been reviewed by an independent source within the past two years.			

2. Corrective actions are taken in response to findings and recommendations in a timely manner.			
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Comments:

<b>P. ANNUAL STATEMENT OF ASSURANCE</b>	Yes	No	N/A
1. I submitted a Statement of Assurance last year.			
2. I reported uncorrected weaknesses last year.			
3. I corrected weaknesses this year.			
4. I am reporting uncorrected weaknesses this year.			
5. I have not had recurring weaknesses over the last 3 years.			

Comments:

**Please attach your comments on:**

1. **The above checklist.**
2. **Concerns your department may have.**
3. **Policies/procedures/process areas the University should review.**

**I have read and completed the above MC Checklist questions in relation to my department's activities. I certify, by signing below, that the above answers reflect actual functions for the past year.**

NAME AND SIGNATURE OF PREPARER:	DATE
NAME AND SIGNATURE OF OFFICIAL RESPONSIBLE FOR ASSESSABLE UNIT:	DATE

**Enclosure 5  
Attachment**

## MANAGEMENT CONTROL (MIC) PROGRAM

### STEPS FOR MANAGERS

#### A. Setting up an MIC system.

The purpose of setting up an MIC system is to effectively and efficiently manage your department's operations, and to protect against fraud, waste, and abuse.

1. Establish a written departmental mission and functions statement.
2. Identify short- and long-term goals to support your department's mission.
3. Determine your department's objectives and techniques to accomplish goals.
4. Develop written Standard Operating Procedures (SOPs) or manuals for your department's functions and operations, to include departmental policies.

#### B. Assessing your MIC System.

The following should be done annually with the submission of the Annual Statement of Assurance. However, it is recommended that a semi-annual review be conducted as well. Assistance is available from the Office of Review and Evaluation.

1. Review and evaluate your department's operations and functions by using either the Risk Assessment or MIC Checklist, or some other format discussed with the Director, Review and Evaluation (DRE).

2. Examine the results of your review to determine if any portion(s) of the department's operations or functions are deficient and/or could use improvement. Also, consider problem areas you feel need management's attention.

#### C. Correcting a Problem Area.

1. Identify those areas in need of revision or improvement and establish a corrective action plan to implement the changes needed.
  - a. Submit this plan to your chain of command with your Annual Statement of Assurance.
  - b. Review your plan periodically and record completion of steps.
  - c. Report the progress of your plan to your chain of command and the DRE.

#### D. Reporting a Continuing Problem Area.

1. Discuss with your chain of command if the problem area persists, and improvements are not being accomplished.
2. If you feel you are not getting management's support to correct the problem, contact the Office of Review and Evaluation at 295-3681.
3. The Office of Review and Evaluation will conduct an internal review based on the above information and discussions with all parties involved.