



DEPARTMENT OF THE NAVY
BUREAU OF MEDICINE AND SURGERY
2300 E STREET NW
WASHINGTON DC 20372-5300

IN REPLY REFER TO

BUMEDINST 5200.15
BUMED-M09B4
26 Sep 2003

BUMED INSTRUCTION 5200.15

From: Chief, Bureau of Medicine and Surgery
To: All Internal BUMED Codes

Subj: BUMED HEADQUARTERS MANAGEMENT CONTROL PROGRAM

Ref: (a) SECNAVINST 5200.35D
(b) OPNAVINST 5200.25C
(c) BUMEDINST 5200.13
(d) ASN(FM&C) ltr of 19 Aug 2002 "Clarification of
SECNAVINST 5200.35D Requirements"

Encl: (1) BUMED Headquarters Management Control Program Plan
for 2004

1. Purpose. This instruction provides Management Control Program (MCP) guidance, specifically for the Bureau of Medicine and Surgery (BUMED), to ensure periodic review and improvement of command management control systems and compliance with references (a) and (b). Reference (c) provides guidance to all Naval Medical activities for submitting annual plans and reports, including the MCP plan and report format. Reference (d) provides clarification on the Department of the Navy's (DON) MCP.

2. Background. References (a) and (b) require agency heads to establish and maintain management controls, and to periodically review, test, and evaluate the adequacy of those controls. The BUMED Headquarters Management Control Program (MCP) assists in satisfying this requirement. The MCP provides program and functional managers the opportunity to fix weaknesses, identify potential problems, and minimize criticism by external groups.

3. Definitions

a. Assessable Unit. Any organizational, functional, programmatic, or other applicable subdivision capable of being evaluated by management control assessment procedures. The Secretary of the Navy (SECNAV) or the Chief of Naval Operations (CNO) may provide supplemental units for review. Enclosure (1) articulates the BUMED Headquarters mandated assessable units for 2004. BUMED will distribute additions or deletions to this list

each year via notice or change transmittal. The current inventory of assessable units for Naval Medicine, including SECNAV mandated units for review, is provided in reference (c).

b. Management Control Program (MCP). The full scope of management responsibilities as defined in this instruction. Responsibility includes: articulation of a management control plan; development of effective management controls; evaluation and correction of deficiencies; use of effective follow-up procedures; and compliance with reporting requirements.

c. Management Control. The organization, policies, and procedures used to reasonably ensure: programs achieve intended results; resources are used consistent with DON's mission; programs and resources are protected from waste, fraud, and mismanagement; laws and regulations are followed; and, reliable and timely information is obtained, maintained, reported, and used for decision making. Management controls include processes for planning, organizing, directing, and controlling program operations.

d. Control Objective. A specific aim, goal, condition, or level of control established by a manager for an assessable unit that provides reasonable assurance that the resources allocated to that activity are safeguarded or protected adequately against waste, fraud, or mismanagement, and that organizational, operational, or administrative objectives are accomplished.

e. Control Technique. Any form of organizational procedure or process that is relied on to accomplish a control objective.

f. Management Control Evaluation (MCE). A documented examination of an assessable unit to determine whether adequate control techniques exist and are achieving their intended objectives. MCE's are of the following two types:

(1) Alternative Management Control Review. An examination to determine if control techniques are operating properly, or to provide adequate information on the effectiveness of control techniques. This type of examination may use computer security reviews, quality assessments; financial systems reviews; General Accounting Office; DOD Inspector General; and Naval Audit Service audits, inspections, or investigations; local audits and command evaluations; and

management and consulting reviews. Alternative reviews must assist in determining overall compliance and, whenever possible, include testing of controls and documentation.

(2) Management Control Review. Detailed management control system examination by the responsible commander/manager to determine adequacy of controls, and identify and correct deficiencies. Management control reviews should be conducted only when a reliable alternate source of information is not available and the review is expected to produce otherwise unavailable written documentation of what was done and what was found.

g. Material Weakness. Per references (a) and (d), a material weakness is any specific instance of noncompliance of such importance to warrant deficiency reporting to the next higher level of command/management. Commanders/managers should consider reporting a weakness to the next higher level if it meets one of the following:

(1) Participation of management at a higher level is required to help resolve the problem, or;

(2) Problem can be resolved at the lower level, though it is serious enough to bring to the attention of higher level management as a point of information.

Be clear on what constitutes successful correction of a weakness. Accessible units selected for improvement need to be measurable and rely on existing data sources. The following list can be used to assist in deciding whether or not a weakness is material:

(1) Impaired fulfillment of mission or operations.

(2) Magnitude of funds, property, or other resources involved.

(3) Frequency of actual or potential loss.

(4) Current or probable Congressional or media interest.

(5) Actual or potential loss of resources.

(6) Sensitivity of resources involved.

(7) Unreliable information causing unsound management decisions.

(8) Violations of statutory or regulatory requirements.

(9) Diminished credibility or reputation of management.

(10) Deprivation of needed Government services to the public.

(11) Impact on information security.

4. Responsibilities

a. Directors, Branch Heads, Supervisors, and Managers

(1) Implement adequate management controls within their area of responsibility to: safeguard resources; ensure accurate and reliable information and compliance with laws, regulations, and policies; and achieve efficiency.

(2) Conduct MCEs as directed by the Chief of Staff, Bureau of Medicine and Surgery. Reference (c) provides guidance on MCP plan and report format.

b. MCP Coordinator for BUMED Headquarters

(1) Assist in establishing the command's inventory of assessable units and monitor the completion of all MCEs.

(2) Schedule the performance of MCEs and forward MCE submissions to the Chief of Staff for review and approval via the Deputy Chief of Staff.

(3) Provide technical assistance and training to responsible managers concerning the performance of MCEs.

(4) Ensure follow-up on all identified weaknesses and completion of corrective actions.

c. Deputy Chiefs. Develop the BUMED Headquarters annual assessable units inventory.

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d. Chief of Staff. Assign MCP responsibilities; approve the command's assessable units inventory; identify military and civilian managers to conduct MCP reviews.

5. Action. Deputy Chiefs and Assistant Deputy Chiefs shall ensure all program and functional managers review this directive and are fully aware of their MCP responsibilities.



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Available at: <https://bumed.med.navy.mil/instructions/internal/internal.htm>

BUMED HEADQUARTERS MANAGEMENT CONTROL PROGRAM PLAN FOR 2004

Management Control Program Plan			Execution Of Management Control Program Plan						
Assessable Unit	Responsible Code/Primary POC Information	Date of Review	Material Weakness Identified				Status of Corrective Actions		
			No	Yes	Corrective Action Planned	Expected Completion Date	Status	Material Weakness Corrected	
								Yes (Date closed)	No
Personnel Security Requirements	M09B16 Ms. Mackey x3308	Oct 03							
Overtime	M09B2 LCDR Blando x 3182	Nov 03							
Management of Training Resources	M09B15 Ms. Danita Moore x3239	Dec 03							
Travel Card Control Procedure	M09B21 HM2 Crisson x 3191	Jan 04							
Emergency Preparedness	M09B1 CDR Carroll x3299	Feb 04							
Command Orientation	M09B113 HM2 C. Gilmore X 3305	Mar 04							
Process of Tasker Control	M09B5 LT Brown x 3201	Apr 04							
Government Purchase Card	M09B22 Mr. Wilson x 3187	May 04							
BUMED Contracting Practices	M09B2 LCDR Blando x 3182	Jun 04							
Command Manpower Data Management	M09B11 LT Williams X3302	Jul 04							
Command Personnel Management	M09B11 LT Williams X3302	Aug 04							
Command Special Pays	M132 LCDR Heilman X3357	Sept 04							

Enclosure (1)

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