DEPARTMENT OF THE ARMY
UNITED STATES ARMY
NORTH ATLANTIC TREATY ORGANIZATION
UNIT 21420
APO AE 09705

REPLY TO
ATTENTION OF

S: 1 May 2004

ACRM-MG

8 January 2004

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Headquarters, U.S. Army, North Atlantic Treaty Organization (HQ USANATO) Fiscal Year 2004 (FY04) Annual Statement of Assurance (ASA) on Management Controls

1. Request all designated Assessable Unit Managers (AUMs) for HQ USANATO submit the FY04 Annual Statements of Assurance for their assessable unit to this office by **1 May 2004**. Include Management Control Evaluation Certification Statements (DA Form 11-2-R, Jul 94) for all evaluations scheduled to be conducted in FY04.

2. The Federal Managers' Financial Integrity Act and the Office of Management and Budget require that the Secretary of Defense submit an Annual Statement of Assurance to the President and Congress by **1 September 2004**. This statement is supported by annual statements from the heads of DoD components. The Secretary of the Army's statement is supported, in turn, by annual statements from MACOM commanders and HQDA principals. These annual statements are personal certifications as to the effectiveness of management controls in place. Our command's Annual Statement of Assurance submission date to HQDA is **15 June 2004**.

3. HQ USANATO Assessable Unit Managers have to certify that each management control evaluation has been conducted by selecting an appropriate testing method (observation, simulation, conducting interviews, records review, or sampling), and documented on DA Form 11-2-R, Management Control Evaluation Certification Statement. All evaluations will be conducted either by selecting the Management Control Evaluation Checklist published in governing regulations (link available in HQ USANATO Five-Year-Plan) or selecting any existing management review process (CIP, IG Inspection, USAAA audit, etc) which meets the provisions of AR 11-2. Each evaluation question has to be answered. "Yes" or "No" and "N/A" responses must be supported by further explanations. Please use the sample document provided in enclosure 3. Any material weakness detected and corrected during FY04 as well as any areas of concern have to be reported to DCS, G8 office. The command Senior Management Council will set up a review panel, assess them, and determine whether or not to report these to the HQDA.

4. ASAs certify that organizations have management controls in place and that these controls are being used and are effective. HQ USANATO reporting units must ensure that their ASAs accurately represent the status of their management controls and support assertions of reasonable assurance. Where appropriate, ASAs should be "qualified" (HQDA's guidance in enclosure 3) by indicating areas for which reasonable assurance cannot be provided.

5. The following items are provided to assist you:

a. HQ USANATO Tasker Memorandum, Subject: HQ USANATO FY04 ASA on Management Controls
b. HQ USANATO MCP Five-Year-Plan
c. HQ USANATO Circular 11-2, Management Control
d. HQDA Guidelines for FY03 ASA Submission
e. DA Form 11-2-R, Jul 94

6. Additional information on MCP, including checklists, is provided at the HQ USANATO website: http://www.usanato.army.mil/html/mcp.htm.

7. For questions concerning this matter, please contact Mrs. Battersby, HQ USANATO Command Management Control Administrator, at DSN 423-4937 or commercial 001-32-65-44-4937.

FOR THE COMMANDER:

SCOTT R. SUNQUIST
Deputy Chief of Staff, G8

5 Encls
1. HQ USANATO Tasker Memo
2. HQ USANATO MCP Five-Year- Plan
3. HQ USANATO Circular 11-2
4. HQDA Guidelines
5. DA Form 11-2-R

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