



Department of Energy

Washington, DC 20585

MAY 31 2007

MEMORANDUM FOR: INGRID KOLB
DIRECTOR, OFFICE OF MANAGEMENT

THRU: WALTER HOWES *Walter S. Howes*
ACTING DIRECTOR, OFFICE OF INFORMATION RESOURCES

FROM: JAMES T. CAMPBELL *James T. Campbell*
ACTING CHIEF FINANCIAL OFFICER

SUBJECT: Notice of Intent to Revise DOE O 413.1A, MANAGEMENT CONTROL PROGRAM, of 04/18/02.

PURPOSE: The purpose of this order is to establish clear lines of responsibility and accountability for executing the requirements of the Federal Managers' Financial Integrity Act (FMFIA) of 1982 (Public Law 97-255). This law requires the Department to establish and annually evaluate its internal (management) controls. As part of the FMFIA process, the Secretary is required to provide an assurance report to the President and Congress on the status of these controls.

JUSTIFICATION: The general nature of FMFIA provides great flexibility to agencies in implementing their internal control programs. Due to the diverse makeup of the Department's programs and the decentralized organizational structure, this Order is necessary to clarify levels of responsibility and accountability within the Department. These successive levels of reporting and accountability support the Secretary's annual assurance.

Minor revisions of this Order are necessary to reflect organizational changes and to update definitions and terminology to be consistent with Office of Management and Budget implementing guidance. This Order is included in the Chief Financial Officer's Review and Certification listing as a directive requiring review, certification and/or revision. The proposed directive does not duplicate existing laws, regulations or national standards and it does not create undue burden on the Department.



IMPACT:

The internal control program is well-established and has been through several streamlining efforts, in coordination with Departmental Elements, to ensure requirements are implemented in the most cost beneficial manner. Similar to Departmental Elements, contractors are required to consider all existing information and report annually on the status of their internal controls. However, the nature and extent of the process implemented by contractors to determine the status of their internal controls is at the discretion of the contracting officer and the contractor; therefore, the cost of implementing the program at the contractor level cannot be readily determined.

CONTACT:

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DECISION:

Concur: _____

Nonconcur: _____

Timeframe: ___ 30 days ___ 60 days ___ 90 days ___ 120 days

Date: _____