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Naval Criminal Investigative Service Managers' Internal Control (MIC) Plan

This plan is reviewed annually.

Last Update: September 2015

MIC Senior Official: Director, NCIS

The Director is the senior official within NCIS and reports to the Under Secretary of the Navy.

MIC Coordinator: NCIS Inspector General (IG)

The IG reports to the Director, NCIS. Assignments to this position are generally for 3-5 years. Duties as MIC Coordinator are on a part-time basis.

Alternate MIC Coordinator: Inspections Division Chief, NCIS Inspector General

The alternate MIC coordinator reports to the MIC Coordinator/NCIS Inspector General. Assignments to this position are generally for 3-5 years. Duties as alternate MIC coordinator are on a part-time basis.

Overview of the MIC Plan within the Organization:

Control Environment

Mission

The NCIS mission is to conduct criminal, counterintelligence, terrorism related investigations and operations, and to provide security services as delineated in SECNAVINST 5430.107. In short, the NCIS mission is to "Prevent Terrorism, Protect Secrets and Reduce Crime."

Strategic Plan

The current NCIS Strategic Plan provides the overarching strategy for the organization. Director's guidance and program direction documents provide annual goals and objectives. An updated long term strategic plan is in development.

Organizational Structure

NCIS senior leadership is organized into a headquarters element, consisting of the Director, Deputy Director, Principal Executive Assistant Director for Management and Administration (PEAD), 6 Executive Assistant Directors, programmatic Deputy Assistant Directors, Special Agents In Charge and 13 field offices. Areas of responsibility for field elements are delineated in the NCIS-2 Office Directory.

The internal controls (IC) reporting chain follows established organizational lines of authority from assessable units to the Executive Assistant Director (EAD)/Assistant Director (AD) level and then to the MIC coordinator. Addendum 1 provides an inventory of assessable units and assessable unit managers.

Funding within NCIS flows from the comptroller to EADs/ADs and Deputy Assistant Directors (DAD) at NCIS headquarters and geographic EADs to Special Agents In Charge (SACs) at field offices who are provided annual budgets to execute their assigned functions.

Risk Assessment

NCIS leaders and the MIC coordinator conduct risk assessments throughout the year to identify assess and prioritize control risks associated with accomplishing the NCIS mission. Results of self-inspections, management visits, audits, inspections, monitoring of programs, inquiries and investigations, are reviewed to identify risk.

Control Activities

NCIS program managers are responsible for identifying and developing appropriate control activities to ensure the accomplishment of assigned missions. Control activities are documented in NCIS manuals, policy documents, instructions, field office performance plans, and in this MIC Plan. In some instances there are two levels of control activities in a specific risk area, one in the field and one in NCIS headquarters. NCIS program managers are responsible for monitoring their programs in conjunction with field office leadership and with the NCIS IG to ensure control activities are not just appropriate for the activity, but are being exercised as intended. The MIC senior management official may also order spot checks/control assessments for specific activities that affect the NCIS organization and mission.

Information and Communications

Information is communicated via four primary means:

- General administration messages (GENADMIN) are used to communicate guidance, changes in policy, procedures, and to provide situational awareness.
- NCIS manuals and instructions are used to document NCIS policy and procedures, and are posted on the NCIS Lighthouse intranet portal. Operational reporting is disseminated via Reports of Investigation transmitted via Naval Justice Information System (NJIS), SIPRnet, or NIPRnet.
- E-mail is used to disseminate information and taskers to targeted audiences. The weekly News to You is used to disseminate general information to a NCIS-wide audience. The NCIS administration and logistics directorate utilizes e-mail to disseminate items in the NCIS tasker system.
- Program and field office performance plans and reviews are used to convey performance expectations and to track significant issues.

Monitoring

Control Activities

The major types of monitoring activities within NCIS are:

- Field Office Management Visits: Each field office element will be visited on a semi-annual basis by a senior manager in accordance with policy per NCIS-1, Chapter 5 (Inspector General Matters).
- Quality Assurance Visits (QAV): Geographic EADs will form teams to conduct annual visits, to each field office to review investigations and operations to assess the quality and timeliness of these products.
- Headquarters Case Review: NCIS headquarters operational departments will review Special Interest (SI), Director's Special Interest (DSI) investigations and operations to ensure the quality and timeliness of these products.
- Self-Inspections: Each assessable unit manager will conduct a self-inspection annually in accordance with NCIS-1, Chapter 5. Beginning this year, the self-inspection will include one internal control assessment.
- NCIS IG Inspections: The NCIS IG will conduct cyclical inspections for each field office, STAATLANT and STAATPAC and headquarter departments.
- Naval Audits: The Naval Audit Service will regularly review special operations funds and Emergency and Extraordinary Expense Funds (E&EE) expenditures.
- Assistant to the Secretary of Defense (Intelligence Oversight) (ATSD (10)) Visits: The ATSD (IO) conducts random site visits to ensure NCIS activities are in compliance with DoD 5240.1-R, law, and other policies.
- Audits/Inspections: The Government Accounting Office, DoD Inspector General, Naval Inspector General, and Naval Audit Service conduct periodic inspections and audits of NCIS activities.
- Monthly supervisory case review (SCRS) has been established to evaluate and quality control on all pending investigative cases from all the NCIS field offices.
- Geographic EAD management staffs will conduct random case review/quality control for investigations conducted by their respective field offices. They will also conduct similar reviews for cases they designate as "Special Interest".

Each assessable unit is required to conduct one internal control assessment during the year and to report the results along with the results of the annual self-inspection directed in NCIS-1, Chapter 5.

Accomplishments

NCIS management utilizes U.S. Navy and U.S. Marine Corps strategies and requirements by developing a program direction document (PDD) to develop strategic direction and goals for each operational program: National Security Division (NSD), Criminal Investigative, Directorate of Intelligence and Information Sharing (DIIS), Cyber and Global Operations. The NCIS field offices use the PDD's to develop NCIS field tactical plans.

Program directors are responsible for tracking individual program accomplishments and metrics in concert with the NCIS performance planning cycle. NCIS program assessment and evaluation continues to improve. Performance measures are used by program directors to help monitor the impact of their respective programs, and to help identify performance gaps for any one performance year. NSD performance measures are classified and posted on the SIPRnet. Specific performance measures for Global Operations and DIIS are being developed.

Corrective Action Plans

The NCIS IG/MIC coordinator identifies significant control deficiencies during internal and external audits, inspections, headquarters control assessments and self-assessments, and follows up to ensure corrective action plans are implemented. In addition to internal tracking tools, the Department of the Navy (DON) Statement of Assurance Tool is used to track major deficiencies. Assessable unit managers are responsible for self-reporting control deficiencies identified during management visits and external inspections/audits, developing corrective action plans, and implementing corrective actions in a timely manner.

MIC Training

MIC coordinators and alternates are required to complete the MIC program training. Managers of assessable units will complete MIC Program Training for Managers. Training will be refreshed every three years. Addendum 2 provides a course description and procedures for accessing these online courses.

Reporting Requirements

NCIS Resident Agencies (NCISRA's) will report the results of self-assessments to their respective field offices by 31 March of each year. Assessable unit managers will report results of self-assessments and internal control assessments to the MIC Coordinator by 30 April. The MIC coordinator and EAD for Financial Management and Planning will brief the results of self-assessments, performance reviews, and material weaknesses to the Director and executive staff by 30 June.

Risk Assessment Documentation/Risk Assessment Table

The risk assessment table is reviewed annually.

Control Assessment Documentation

NCIS internal controls are a fluid and continual process. NCIS managers must actively assess risk and evaluate internal controls to ensure the controls are balanced and are effectively mitigating the associated risks. Control assessments will include both an internal review of controls, and evaluations from external organizations, such as audit organizations or higher level offices of Inspector General.

Every manager of an assessable unit will conduct at least one internal control assessment each year. The annual internal assessment may be specified by the MIC senior management official.

During the risk assessment, controls were rated as having a low, moderate, or high control risk. If a control risk is determined to be high, there is no need to test the control. The reason for not testing the controls labeled "high" is that those controls have not been implemented, or are not effective in either their design or operation, and therefore must be improved. Corrective action plans will be developed for all controls that are rated as having high control risk.

Controls with low or moderate control risk should be monitored and/or occasionally tested to see if the controls are effective. If the control is assessed to be ineffective, the control should be reconsidered. Corrective action plans should be developed for those controls that are not effective.

Significant control deficiencies should be reported to the NCIS MIC coordinator as either a reportable condition or material weakness based on management judgment. A material weakness is a major control deficiency requiring senior Navy influence to resolve.

While internal control assessment documentation is required, there is no prescribed format for completing an internal control assessment for the MIC program overall. The goal is to maintain internal control assessment documentation that gives managers the information they need to establish and improve internal controls within their command.

Corrective Action Plans

Managers are to:

- Promptly evaluate findings from audits and other reviews, including those showing deficiencies and recommendations reported by auditors and others who evaluate agencies' operations.
- Determine proper actions in response to findings and recommendations from audits and reviews.
- Complete actions to correct or otherwise resolve matters brought to management's attention.

The resolution process begins when audit or other review results are reported to management, and is completed only after action has been taken that corrects identified deficiencies, produces improvements, or demonstrates that findings and recommendations do not warrant management action.

Corrective action plans for all material weaknesses and reportable conditions will be an enclosure to the NCIS MIC Certification Statement.

Addendum 1
Inventory of Assessable Units

Assessable Unit Name	Assessable Unit Manager
Headquarters Elements	
00C – Office of Communication	AD
00F – Comptroller	DAD
00I – Inspector General	AD
00L – Office of General Counsel	Counsel
01AM – Office of Military Support (OMS)	CO
02A – Atlantic Operations	EAD
02G – Global Operations	EAD
02P – Pacific Operations	EAD
10A – Human Resources Operations and Services	AD
10B – Training Department	DAD
10D – Human Capital Development Department	DAD
11A – Security and Facilities Department	DAD
11B – Acquisition and Logistics Department	DAD
11C – Administrative Services	DAD
14 – Strategic Planning	Comptroller
15 – Information Technology	EAD
22 – National Security Directorate	EAD
23 – Criminal Investigations	EAD
25 – Intelligence and Information Sharing	AD

Assessable Unit Names	Assessable Unit Manager
Field Offices	
CAFO – Carolina Field Office	SAC
CBFO – Cyber Field Office	SAC
CNFO – Central Field Office	SAC
CRFO – Contingency Response Field Office	RAC
DCFO – Washington Field Office	SAC
EUFO – Europe and Africa Field Office	SAC
FEFO – Far East Field Office	SAC
HIFO – Hawaii Field Office	SAC
MEFO – Middle East Field Office	SAC
MWFO – Marine West Field Office	SAC
NEFO – Northeast Field Office	SAC
NFFO – Norfolk Field Office	SAC
NWFO – Northwest Field Office	SAC
OPS – Office of Polygraph Services	SAC
OSP – Office of Special Projects	SAC
OSS – Office of Strategic Support	SAC
POFO – Protective Operations Field Office	SAC
SEFO – Southeast Field Office	SAC
SNFO – Singapore Field Office	SAC
STAAT LANT – STAAT Atlantic	STAAT CDR
STAAT PAC – STAAT Pacific	STAAT CDR
SWFO – Southwest Field Office	SAC

Addendum 2

Managers' Internal Control (MIC) Training

MIC training is available online through Navy e-Learning and Navy Knowledge Online. The information below provides an explanation of the two courses and information on how to access the courses.

DON MIC Program Training for Coordinators

About the Course

The purpose of the course is to provide an overview of the DON MIC Program. It is designed for MIC coordinators and alternates with management control responsibilities for their units in the DON. This course meets the training requirement for MIC coordinators per SECNAVINST 5200.35E.

Content

This course is divided into five modules, which introduce the basic definitions and concepts related to the DON MIC Program, and provide more detailed explanations and examples where necessary.

Objectives

After completing this course participants should be able to:

- Explain the fundamentals of management controls.
- Understand DON MIC Program requirements and responsibilities.
- Describe how to use tools and techniques to evaluate and enhance a MIC Program.
- Describe the DON Statement of Assurance process.

Estimated Duration

Completion time for this course is approximately seven hours.

DON MIC Training for Managers

About the Course

The purpose of this course is to provide DON Managers with a foundation for understanding internal controls and the DON MIC Program. This course is designed for managers and does not meet SECNAVINST 5200.35E training requirements for MIC coordinators or their alternates.

Content

Course content consists of a single module that is divided into four topics and a module test. These topics introduce basic definitions and concepts related to the DON MIC Program, and provide more detailed explanations and examples where necessary.

Objectives

Objectives of this course are to provide an understanding of:

- Internal controls and their importance.
- The purpose of a MIC.
- DON MIC requirements and responsibilities.

Estimated Duration

Completion time for this course is approximately two hours.

Accessing the Computer Based Training Courses

MIC courses are available through the Navy Knowledge Online website.

To access the courses, go to www.nko.navy.mil.

We recommend that you review the “Get Started” section for detailed directions on accessing and taking courses.

Below is the detailed course information.

Course Title	Catalog Code	Learning Category
Managers’ Internal Control Program Training	OASN-MCPT-1	US Department of the Navy (DON)/ Management Control Program
Managers’ Internal Control Program Training for Managers	OASN-MCPM-1	US Department of the Navy (DON)/ Management Control Program

Addendum 3
Risk Assessment

Risk Assessment					
Command: Naval Criminal Investigative Service					
#	Risk	Inherent Risk	Control Risk	Combined Risk	Internal Control Currently in Place
1	Investigations are not timely or complete when closed and disseminated to NCIS customers	High	Moderate	Moderate	Monthly Supervisory Case Review; Supervisory release of ROI's
2	PCS related allowances and expenses are incorrectly paid	High	Moderate	Moderate	Review by HQ administrative staff and comptroller
3	Personally Identifiable Information media is lost	Moderate	Moderate	Moderate	Controls are monitored during IG Inspections
4	Timekeeping, Payroll and Allowances - SLDCADA, RSO, Post Differential, Danger Pay, COLA, Leave, Locality Pay are incorrectly paid	Moderate	Moderate	Moderate	Supervisors approve SLDCADA biweekly, NCIS - wide control assessment
5	DTS/TDY travel are not cost effective	Moderate	Moderate	Moderate	Field Office/ HQ/Comptroller reviews/approvals
6	Firearms and/or ammunition are not accounted for	Moderate	Moderate	Moderate	Annual inventory
7	EEE funds are not expended properly	Moderate	Moderate	Low	Monthly cash counts, SAC approval of expenditures, NAVAUDSVC biennial reviews and IG monthly audit
8	Information is improperly collected on U.S. Persons	Moderate	Low	Low	First line supervisory review and annual training requirement
9	Voyager cards are misused	Moderate	Moderate	Moderate	Monthly APC reviews
10	Unsuitable employees are sent overseas requiring early costly return	Moderate	Moderate	Low	Code 10 review
11	Hiring and suitability process is not dependable	Moderate	Moderate	Low	HR administration, 2A, 2S, 2M

12	Employees misuse government vehicles	Moderate	Moderate	Moderate	Logs and reviews and IG Inspections
13	Evidence is improperly handled and stored	Moderate	Moderate	Low	IG Inspections; Annual self-inspection; and Field Office management visits
14	Employees use Government travel cards for unauthorized purchases and fail to pay bills in a timely manner	High	Low	Low	APC's review transactions and delinquent accounts
15	DPAS property accountability is not current	Moderate	Moderate	Moderate	Code 11B review and IG Inspections