

FEDERAL MANAGERS'
FINANCIAL INTEGRITY ACT OF 1982

FY 2010
STATEMENT OF ASSURANCE



Defense Commissary Agency

TAB A

DESCRIPTION OF THE CONCEPT OF REASONABLE ASSURANCE AND HOW THE EVALUATION WAS CONDUCTED

The Defense Commissary Agency (DeCA) senior management evaluated the system of internal accounting and administrative controls in effect during the fiscal year as of the date of this memorandum, according to the guidance in Office of Management and Budget (OMB) Circular No. A-123, "Management's Responsibility for Internal Control," December 21, 2004. The OMB guidelines were issued in conjunction with the Comptroller General of the United States as required by the Federal Managers' Financial Integrity Act (FMFIA) of 1982. Included is an evaluation of whether the system of internal accounting and administrative control for DeCA is in compliance with standards prescribed by the Comptroller General.

The objectives of the system of internal accounting and administrative control of DeCA are to provide reasonable assurance that:

- The obligations and costs are in compliance with applicable law;
- Funds, property, and other assets are safeguarded against waste, loss, unauthorized use, or misappropriation; and
- Revenues and expenditures applicable to Agency operations are properly recorded and accounted for to permit the preparation of reliable accounting, financial statistical reports, and to maintain accountability over the assets.

The evaluation of internal controls extends to every responsibility and activity undertaken by DeCA and applies to program, administrative, and operational controls. Furthermore, the concept of reasonable assurance recognizes that: (1) the cost of internal controls should not exceed the benefits expected to be derived and (2) the benefits include reducing the risk associated with failing to achieve the stated objectives. Moreover, errors or irregularities may occur and not be detected because of inherent limitations in any system of internal accounting and administrative control, including those limitations resulting from resource constraints, congressional restrictions, and other factors. Finally, projection of any system evaluation to future periods is subject to risk that procedures may be inadequate because of changes in conditions, or that the degree of compliance with procedures may deteriorate. Therefore, this statement of reasonable assurance is provided within the limits of the preceding description.

DeCA evaluated the system of internal management controls in accordance with the guidelines identified above. The results indicate that the system of internal accounting and administrative control of DeCA in effect during the Fiscal Year (FY) 2010 as of the date of this memorandum, taken as a whole, complies with the requirement to provide reasonable assurance that the above mentioned objectives were achieved. This position on reasonable assurance is within the limits described in the preceding paragraph.

For the eighth straight year, DeCA received a clean opinion on its financial statements from an independent public accounting (IPA) firm. The consolidated financial statements were, in the auditor's opinion, fairly presented, free of material misstatements, and prepared in accordance with generally accepted accounting principles, consistently applied. In connection with their audit, the IPA considered DeCA's internal control over financial reporting and performance measures and tested DeCA's compliance with certain provisions of applicable laws, regulations, and contracts that could have had a direct and material effect on the financial statements being audited.

DeCA evaluated its system of internal accounting and administrative control using the following process for conducting the evaluation.

Internal Control Program Execution

DeCA's approach in FY 2010 has been to continue building on our successful implementation of the OMB A-123, Appendix A. We leveraged common business process management and aligned the financial and nonfinancial processes to mirror one another adopting the Appendix A deliverable model to fit our overall organizational needs. DeCA is able to give the same level of reasonable assurance to the Secretary of Defense with greater specificity, management involvement, and accuracy.

Our results continue to be extremely satisfying as we expand documentation of our key business processes. We have 15 assessable unit managers (AUM) who have implemented the methodology for their respective business operations.

Our engaged Senior Assessment Team's (SAT) oversight ensures the appropriate amount of attention to the program and its goals. The SAT is chaired by the Chief Financial Executive, and staffed by functional process owners from each of our directorates, and deputy directors from each of our three regions.

New Assessable Units

Our Assessable units are aligned with our corporate organization. Since our primary goal has been to emulate the Appendix A process, for internal controls over nonfinancial operations (ICONO) we needed a system focused on an end product or key output in place of the Appendix A method where key processes are defined by a financial statements materiality threshold. Assessable units are identified at **Figure 1**.

Acquisition Management (Contracting) - Card Purchases	Director of Performance & Policy - Store Level Policy and Procedures	Internal Review - Internal Audit
Acquisition Management (Contracting) - GPC Account Issuance	Equal Employment Office - Management Directive 715 Process and Report	Sales - Adding New Items
Acquisition Management (Contracting) - Support Services and Supplies	Equal Employment Office - Reasonable Accommodation	Sales - Conducting Category Review
Acquisition Management (Contracting) - Shelf Stocking, Warehouse, Custodial	Equal Employment Office - Equal Employment Opportunity Management Directive	Sales - Customer Concern Response
Acquisition Management (Contracting) - NISH	General Counsel - Personnel Law Advice and Support	Sales - Monthly Promotional Offers
Corporate Communications - Marketing	General Counsel - Personnel Law Litigation	Sales - Verifying Category Savings
Corporate Communications - Publications	General Counsel - General Law and Commercial Litigation Support	Sales - Pricing
Corporate Communications - Website Update	Human Resources - Union Correspondence	Sales - Remedy
Chief Information Office - Information Assurance Audits	Human Resources - Establishing or Reviewing Position Classification	Sales - Requirements Development and Testing
Chief Information Office - Information Assurance Vulnerability Management	Human Resources (DLA) – Hiring DEU & Merit	Sales - Brand Name Products
Chief Information Office - Information Assurance Policy	Human Resources (DLA) - Separations	Sales - Non Brand Name Product Services
Chief Information Office - Accreditation and Oversight	Human Resources (DLA) - Awards	Resource Management - Competitive Sourcing
Chief Information Office - IT Capital Planning and Investment	Human Resources (DLA) - Official Personnel File	Resource Management - Inventory of Commercial and Inherently Governmental Activities Data Call
Chief Information Office - IT Policy Maintenance	Human Resources - Workers Compensation CA-1	Resource Management - Statistical Database Process
Chief Information Office - Technology Management	Human Resources - Workers Compensation CA-2	Resource Management - Manpower Utilization Actions
Chief Information Office - Scheduling Agency Records	Human Resources - Workers Compensation CA-7 LBB	Resource Management - Organization Structure and Management
Chief Information Office - CITCD Tech Server Refresh	Human Resources - Workers Compensation CA-7 LWOP	Resource Management - Government Credit Card Issuance
Chief Information Office - CITCN NOS	Human Resources - Workers Compensation CA-7 Schedule Awards	Resource Management - Risk Mitigation Store Level TDY
Chief Information Office - Design Phase Refresh	Human Resources - Workers Compensation Chargeback Reviews	Resource Management - CBA
Chief Information Office - Requirements Phase	Human Resources - Workers Compensation COP	Resource Management - Delinquency Management
Chief Information Office - Sustainment Phase	Human Resources - Workers Compensation Modified Work Assignment	Resource Management - Unused Airline Tickets
Chief Information Office - Hand Held Depot Maintenance	Human Resources - Workers Compensation Permanent Modified Work Assignment	Resource Management - Debt Management
Chief Information Office - Windows Software Updates	Chief of Staff - Operations Training	Resource Management - Region Vouchers
Chief Information Office - Ticket Response and Desktop Support Tickets	Health & Safety - Incident Reporting	Resource Management - Region Authorizations
Director Performance & Policy - Accounting for Losses by Reports of Survey	Health & Safety - Health, Safety & Security (Safety Visits)	Resource Management - Region Local Vouchers
Director Performance & Policy - Supplies	Health & Safety - Recall Program	Corporate Planning - Black Belt Process
Director of Performance & Policy - Equipment	Inspector General - Complaints and Inquiries Process	Corporate Planning - Green Belt Process
Director of Performance & Policy - Major Project Prioritization and Approval	Inspector General - IG Inspection Process	Corporate Planning - Strategic Plan Development
Director of Performance & Policy - Higher Headquarters Assessments/ Security Programs Review	Chief Information Office - Employee Termination	Chief Information Office - Hardware Tech Refresh
Chief Information Office - Administrative Access	Inspector General - Respond to Congressional Inquiries	Zone Manager – Store Level (Management, Produce, Customer Service, Meat, Grocery)

Figure 1: Assessable Units

DFAS and DLA Partnerships

DeCA works with Agency external partners to identify and resolve internal control weaknesses throughout the year. Defense Financial Accounting Service (DFAS) and Defense Logistics Agency (DLA) both are key partnerships for DeCA. DFAS pays our bills and DLA provides personnel services. DFAS has been engaged in our internal control program since Appendix A was implemented. A DFAS representative sits on our SAT and coordinates on DFAS internal control issues. DFAS internal control testing data is communicated to DeCA and is submitted as part of DeCA's Financial Improvement and Audit Readiness (FIAR) reporting. DLA began providing human resource (HR) services to DeCA in FY 2009. DeCA partnered with DLA to implement the Appendix A methodology at DLA. The Appendix A methodology was implemented in September 2009 for the following DLA business processes: hiring (Delegated Examining Unit and Merit), separations, Official Personnel Files (OPF), and awards. The Managers' Internal Control Program (MIC) staff working with DeCA and DLA HR staffs to develop narratives, flowcharts, risk analysis, test plans and testing was completed in May 2010. DLA test results were correlated to audit readiness because DLA's processes are also tested by DeCA's external auditor to determine compliance with applicable laws and regulations as part of our financial statement audit.

Assessment Process/Continuous Process Improvement (CPI)

The MIC program follows the same methodology as Appendix A with the Flowchart and Narrative, the Risk Analysis, the Test Plan, the Control Analysis, and the Corrective Action Plan (CAP) of each process. Each deliverable is progressive building upon the previous one to create one comprehensive body of documentation. Once a process is defined, our process has matured beyond examining those controls in a vacuum of operational risk. We firmly believe that to clearly understand the role and effectiveness of any given internal control, an organization must be able to view those controls in the larger context of CPI which allows each AUM to assess controls within the larger framework of accomplishing their mission more efficiently and effectively. The Appendix A methodology was implemented 5 years ago and each year AUMs reevaluate each business process to determine if clarifications or corrections are needed. This methodology is a continuous process improvement for DeCA. DeCA has taken the next evolutionary step to utilize Lean Six Sigma (L6S) help to correct ineffective controls.

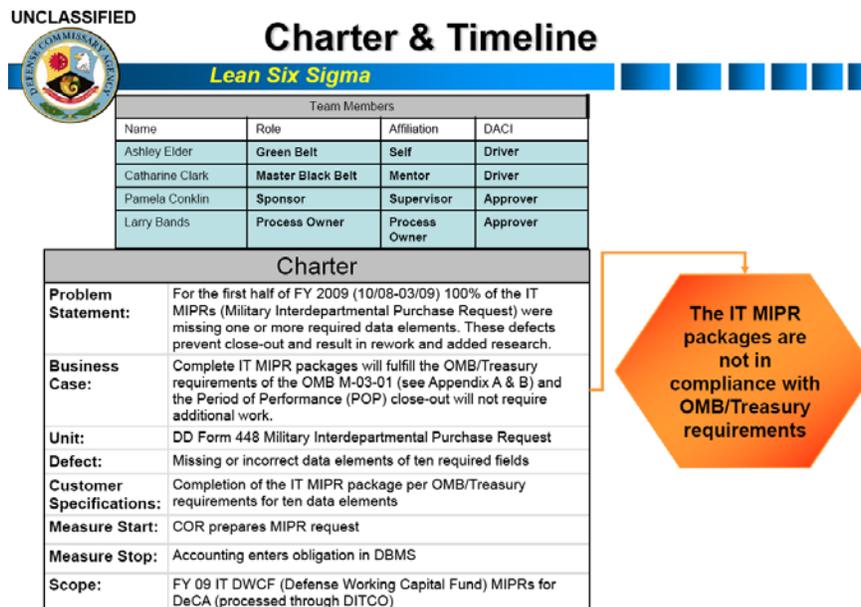
DeCA's Continuous Process Improvement/Lean Six Sigma (CPI/L6S) Program and Managers' Internal Controls Program (MIC)

DeCA has taken strides to integrate the CPI/L6S program with the MIC program. Once ineffective controls are noted, the managers are required to develop a corrective action plan and report progress to the SAT. At this point, the manager in coordination with the CPI/L6S and MIC program managers, should determine if this deficiency would qualify as a greenbelt project. If so, a greenbelt in the functional area would be assigned. The belts are trained to find the root cause of the problem and will utilize the L6S tools to ensure a solution is developed, implemented, and sustained. At **Figure 2** is an example of a resource management project developed by one of the MIC greenbelts focusing on Military Interdepartmental Purchase Requests (MIPR) process. The greenbelt problem statement noted 100 percent of the

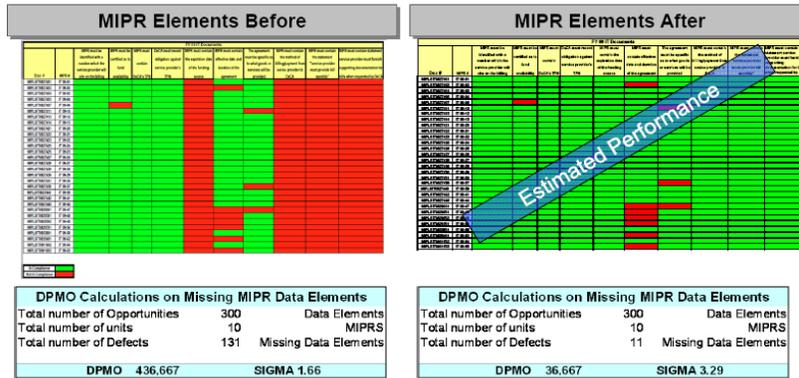
Information Technology (IT) MIPRs were missing one or more required data elements. These defects prevent close-out and result in rework and added research. The scope of the project was FY 2009 IT DWCF (Defense Working Capital Fund) MIPRs for DeCA (processed through DITCO). The sample size for this project was 30 MIPRs. Each MIPR was missing at least 4 of the required data elements. Results derived from the GB project provided users with a training package which included the original OMB Memorandum, the Treasury Financial Manual, a letter from DeCA's Chief Financial Executive (CFE), a MIPR process checklist, and an example of a compliant MIPR. The FY 2010 MIPRs are currently in compliance and are checked periodically to ensure compliance is sustained. This project helped to identify the controls that needed to be tested and verified in order to be compliant with OMB Treasury Guidelines and also helped DeCA maintain audit readiness goals. Successful L6S projects correlating to ineffective controls in FY 2009 and FY 2010 include:

- BB - Far East Vendor Credit Memorandum (VCM) Project
- BB and GB - Distributor VCMs
- BB - System Access DeCA Form 35-1 Process
- GB - MIPR Process
- GB - ClearQuest Requirements Processing
- GB - Contract Closeout Process
- GB - Reduce Incomplete Data Elements in MIPR Package
- GB - Streamlining Compliance of the Internal Controls Program

Figure 2: Lean 6 Sigma Greenbelt Deck



What Results did we see?

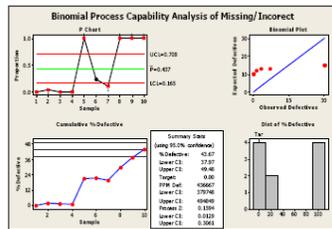


Key Metrics	Before	After	Delta
DPMO	436,667	36,667	-400,000
Sigma	1.66	3.29	+1.63

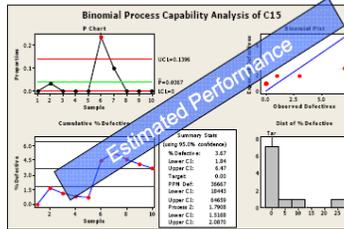
Improvement is expected to be significant

Descriptive Statistics / Process Capability

“As Is” Process Capability



“New” Process Capability



Process expected to improve substantially

Required Deliverable

How will we Maintain Improvement?

Triggers		Corrective Actions	
Trigger 1	Sue O'Reilly checks MIPR's periodically and notices that all elements are not there	Action 1	Provide one on one training to those individuals not in compliance using training package
Trigger 2	After first quarter of FY10 I will review all MIPRs submitted to see if they are in compliance	Action 2	Reinforce new process: •Resend training packages to individuals not in compliance •Team meeting •Ask CFE to submit another letter

Project Completion Date:	August 21, 2009
Project Transfer Date:	August 21, 2009
Project Transfer to:	Sue O'Reilly
Issues & Barriers:	To ensure future compliance, training across functional areas will be provided to all new personnel.

There are no systemic errors due to lack of knowledge of requirements.

DeCA's Assessment of Acquisition Functions

DeCA's Contracting Directorate manages a worldwide contracting program in support of the DeCA commissary system. They provide contracting support for supplies, services and revenue generating agreements, and automation support for all contracting systems. Further the Contracting Directorate provides guidance and oversight for all DeCA contracting offices using delegated authorities and develops procedures and policy implementation guidance. The contracting program utilizes the Appendix A methodology to mitigate risk in its key business processes. The Contracting directorate reviewed the Guidance on the Assessment of Acquisition Functions under Office of Management and Budget (OMB) Circular A-123 dated April 6, 2009, to determine how this guidance was to be integrated in the internal control review of contracting with the existing internal control assessment and the annual Statement of Assurance reporting process for FY 2010. The Contracting team reviewed the template and focused on the following cornerstones for risk mitigation: Organizational Alignment and Leadership, Policies and Processes, Human Capital, and Management and Stewardship. They evaluated their control environment, completed risk assessments for control activities and established monitoring priorities to mitigate risk within the DeCA Contracting community. Critical to risk mitigation in the Contracting process is peer review via Internal Annual Procurement Management Review and Contract Review Board (CRB) checklist of evaluation. Coordination with Resource Management Directorate, Chief Information Officer, and Directorate of Performance and Policy are among the functional areas that Contracting interacts with daily to mitigate risk and align with DeCA's strategic goals and objectives.

Federal Financial Management Improvement Act (FFMIA), Internal Control over Financial Systems

DeCA's financial management systems do not substantially comply with federal financial management systems requirements and the United States Standard General ledger at the

transaction level. DeCA continues to exceed compliance requirements by implementing a series of compensating controls that have met and exceeded the external auditors (KPMG) auditing requirements; in fact, the information technology deficiency noted in previous audit years was removed in FY 2009. To ensure compliance with FFMIA, DeCA, jointly with the DoD, is actively working on improving the business system DoD wide. The Defense Agencies Initiative (DAI) is a standardized system solution to transform the budget, finance, and accounting operations of Defense Agencies. DAI is an Oracle based Enterprise Resource Planning (ERP) system that will consist of common processes and data standards for business functions with budget execution: procure to pay, order to fulfill, acquire to retire, budget to report, cost accounting, grants accounting, time and attendance, and resale accounting. DAI Global Model provides about an 80 percent solution for DeCA. DeCA will be responsible for developing and deploying DeCA unique requirements. Using this DAI Model will significantly reduce development costs and mitigate risks to DeCA. The remaining 20 percent solution for DeCA requirements will be delivered through DeCA unique configuration, business reengineering, reports, interfaces, conversions, and extensions or newly developed and bolted on applications. Deployment plans are to implement this Global Model to 27 Defense Agencies over a phased approach through FY 2015. Illustrated below is the DAI schedule for deployment.

DAI Schedule



ERP & Target Systems	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
DAI	◆ BTA	◆ DTIC	◆ OUSD(C) ◆ DMA ◆ MDA ◆ DISA CSD ◆ USU	◆ DISA GF ◆ DTRA ◆ TMA	◆ DISATelecom ◆ DSS ◆ DOT&E ◆ DoDIG ◆ DCMA ◆ DeCA	◆ DLSA ◆ DAU ◆ DCAA ◆ DTSA ◆ DARPA ◆ DHRA ◆ DoDEA	◆ DFAS ◆ OEA ◆ WHS ◆ DSCA ◆ NDU ◆ PFPA ◆ DPMO

◆ Initial Deployments ◆ Additional Deployments ◆ Columbus Specific

American Recovery and Reinvestment Act (ARRA) Reporting

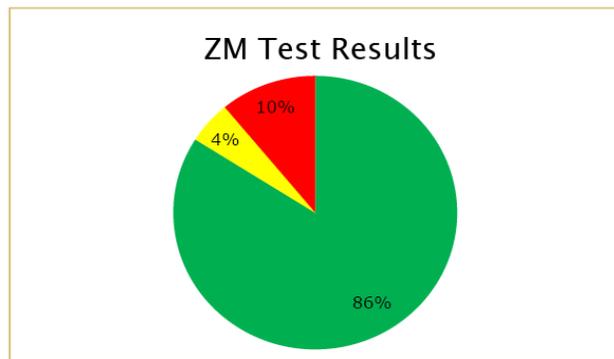
DeCA completed the ARRA risk mitigation assessment: Deliverable #1, Risk Assessment; Deliverable #2, ARRA Profile; and Deliverable #3, Risk Mitigation December 2009. Continual risk mitigation is accomplished and reported for ARRA funds quarterly through the DeCA SAT to OSD Risk Management of the Recovery Act manager. DeCA's ARRA funds are part of TAFS Code 97-501 which includes both Military Construction (MILCON) and Energy Conservation Investment Program (ECIP). ARRA funds were issued to DeCA for the United States Air Force Academy Commissary Energy Conservation Upgrade project.

Store Level Testing of Internal Controls

Appendix A methodology for internal controls over nonfinancial operations (ICONO) was implemented within the commissaries in FY 2010. The MIC staff provided face-to-face training for zone managers and gathered test results that pinpointed corrective actions for commissaries. No material weaknesses were identified. The MIC staff along with zone managers tested 34 internal controls at 27 different locations. Between February 2 and May 20, 2010, 891 tests were accomplished and 92 corrective actions were implemented and presented to the Senior Assessment Team (SAT). Figure 6 shows an example of the test template developed by the MIC staff and a zone manager workgroup. Questions were drawn from the Commissary Compliance Inspection (CCI) checklist that provided the zone managers the best opportunity to document testing of internal controls and identify corrective actions prior to inspection. Preparing for audit is a primary focus for store level as well as all of DeCA. The Inspector General performs approximately 15 percent to 20 percent inspections at store level during the fiscal year. The scores obtained from IG inspection are reported as part of DeCA's Balanced Scorecard (BSC). In FY 2011, internal controls will be a standalone performance metric for the BSC. In conjunction, both metrics are reported to provide DoD with statistical data that identifies the operational effectiveness and efficiency for the Defense Commissary Agency. The Appendix A methodology continues to be the instrument utilized to determine operational efficiency and effectiveness.

Store Level Testing

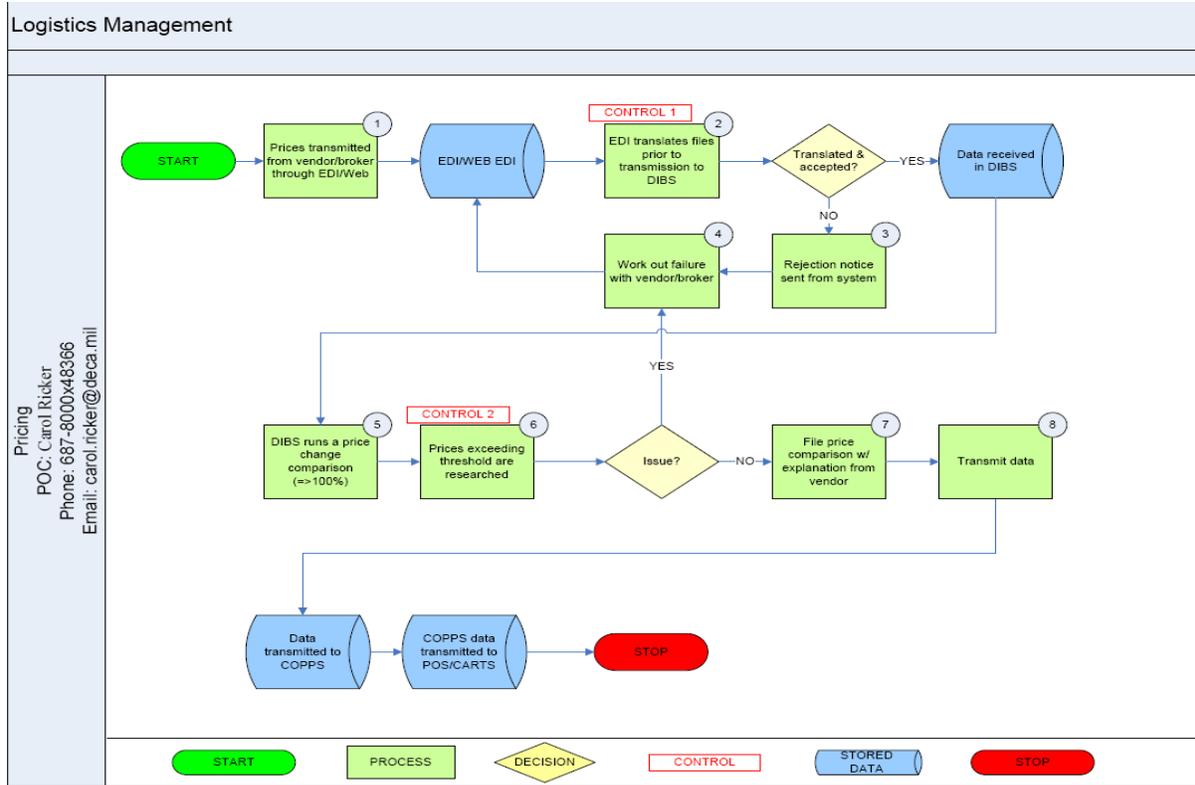
- ▶ Zone Manager Testing accomplished between February 2010 and May 2010
 - 891 Tests performed
 - 761 Effective (86%)
 - 38 With exceptions (4%)
 - 92 Ineffective (10%)
- ▶ Trend analysis under development
- ▶ Corrective Actions to be reported through SAT for monitoring



Flowcharts and Narratives

In order to effectively define the key controls within a process, you must have a clear picture of that process, at least at a high functional level. The flowcharts document the key steps and decisions in each process and clearly define each of the steps that are key control points. Accompanying each flowchart is a process narrative. The narrative process draws a parallel from the bullets contained in the process steps of the flowchart. Taken together, the flowcharts and the narratives give us an unprecedented view not only of the key business processes, but the key controls within those processes that help to ensure the tenants of internal control are adhered to. Process owners were asked to expand their narratives in FY 2009 and FY 2010 to include the identification of reference guidance and a strategic link to our strategic goals. It was felt that providing reference source would allow for greater clarity for compliance issues and a strategic link would help strategically align and prioritize our mission objectives. **Figure 3** is an example of our flowchart for the business processes for Product Support Pricing followed by its accompanying narrative. The Appendix A methodology is utilized in risk mitigation for the Agency in pricing compliance at store level.

Figure 3: Pricing Flowchart & Narrative



FY 2010 INTERNAL CONTROL NARRATIVE

Defense Commissary Agency Product Support Narrative

Process: Pricing

Assessable Unit Manager: Carol Ricker

References: DeCA Policy 70-1

Strategic Link: Preserve and deliver a premier quality-of-life-benefit (Strategic goal 1)

Date Reviewed: November 19, 2009

STEP 1: Prices are transmitted from the vendor/broker through EDI/WEB.

STEP 2: **CONTROL 1:** EDI translates files prior to submission to DIBS. EDI either accepts or rejects the files.

STEP 3: If they are accepted, the data is pushed to DIBS. DIBS will run a price change comparison to see if the price went up or down by 100%.

STEP 4: If they are rejected, a notice will be returned to the vendor/broker with the reason for rejection and my pricing coordinators work with the vendor to help with retransmission.

STEP 5: Prices which are less than or greater than 100% are researched by the pricing coordinators.

STEP 6: **CONTROL 2:** If the price is correct, annotation is made on the paperwork and filed for future reference. If the price is incorrect, vendor/broker has time to resubmit correct price before an incorrect entry is downloaded to DIBS and the stores.

STEP 7: Prices are then transmitted to COPPS for the grocery recoup (1%)

STEP 8: Prices flow from COPPS to CARTS.

Risk Analysis

Once the flowcharts and the narratives have been completed, we then begin defining the risks and controls at each of the control points. **Figure 4** shows the first part of the analysis, which evaluates the risk absent the controls or inherent risk. This evaluation uses two very distinct measures, likelihood and impact. Both measures are evaluated on a scale of 1 to 5, with 1 being the lowest, 5 the highest. A mathematical combination of these two numbers automatically populates the field defining the inherent risk level. In the DeCA system, we evaluate risk in a purely binary system of either high or low risk. Under the old checklist system, significant time and energy was expended on the evaluation of internal controls that were not central to ensuring the efficiency and effectiveness of DeCA operations and were rarely specific to a business process.

Under the new system, managers must identify the most significant risks to the successful completion of that unit’s mission at each of the control points defined on their flowcharts. This has had the effect of both reducing the scope of the activities that had to be investigated and focusing our efforts and resources on the most significant of our operational risks.

Figure 4: Evaluating Inherent Risk

DECA RISK ANALYSIS - FY2010									
Assessable Unit: PS Logistics Management									
Assessable Unit Manager: Carol Ricker									
Control Number	Process	Risk	Likelihood	Impact	Inherent Risk	Internal Control Currently in Place (ICCP)	Does the ICCIP mitigate the stated risk?	Control Risk	Internal Control Test Method Used
1	Pricing	Stores will have incorrect pricing	3	3	Low	EDI translates files prior to submission to DIBS. EDI either accepts or rejects the files.	Yes	High	Inspection
2	Pricing	Stores will have incorrect pricing	3	3	Low	Prices which are less than or greater than 100% are researched by the pricing coordinators.	Yes	High	Inspection

Figure 5: Internal Control Formula

This process has also had the added benefit of forcing managers to think very critically about their operations and what events can cause their efficiency or effectiveness to break down. Once the inherent risk level is evaluated, the managers must then identify the key internal controls that mitigate those risks. We have established a formula for the definition of an internal control, shown in **Figure 5**.

HOW OFTEN (daily, weekly, etc.)
 WHO (position title?)
 DOES WHAT (compares, reviews, etc.)
 TO WHAT (document, checklist, etc.)
 TO ENSURE (accuracy, proper authorization, etc.)

Defining the internal controls currently in place is one of the most important parts of the evaluation system. In figure 5 you will see several examples of how the internal control template is applied to different controls. The managers then evaluate whether the internal control is adequately designed or adequately mitigates the stated risk, establishing a control risk level (either high or low). If the manager knows that a particular control is not working, the manager will state that the internal control currently in place has a high control risk. If a high control risk is found during the evaluation, the manager will be responsible for initiating a Corrective Action Plan (CAP) (see figure 9) instead of testing the control. This process eliminates the need for excessive testing when the manager already knows there is a control deficiency. For those controls that management rates with a low control risk, they will then identify the test method they will employ to verify that the control is working effectively. A completed risk analysis for the control points listed in the flowchart on page 12 can be seen in **Figure 6**.

Figure 6: Complete Risk Analysis

DECA CONTROL ANALYSIS - FY 2010							
Assessable Unit: PS Pricing							
Assessable Unit Manager: Carol Ricker							
Control Number	Process	Risk	Internal Control Currently in Place (ICCIPI)	Description of Control Operation Test	Control Operation Effective?	New Risk Level	Test Results
1	Pricing	Stores will have incorrect pricing	EDI translates files prior to submission to DIBS. EDI either accepts or rejects the files.	Inspection: A printout comes from our system that is visually viewed for accuracy. Vendors are called verbally to verify that the info is correct. If not correct, the vendor is allowed to resubmit pricing. EDI coordinators inspect all increases/decreases of pricing by 100%. Vendors are called or emailed and verification required.	Yes	Low	EDI coordinators viewed 824 transaction sets. Out of 10 rejections, the vendor was notified to either (1) resend under different guidelines or (2) told that we could not accept his pricing because of the lateness of transaction. Passed
2	Pricing	Stores will have incorrect pricing	Prices which are less than or greater than 100% are researched by the pricing coordinators.	Inspection: A printout comes from our system that is visually viewed for accuracy. Vendors are called verbally to verify that the info is correct. If not correct, the vendor is allowed to resubmit pricing.	Yes	Low	EDI coordinators looked at 12 100% reports. All vendors were notified by phone or email that pricing had been increased or decreased by 100% or more. We obtained either 1) verification of correctness or 2) correction to pricing. Passed

Test Plan

During the test plan phase a detailed test description is formulated before completing the documentation and testing of controls (**Figure 7**). As mentioned earlier in the continuous process improvement section of this document, MIC staff and zone managers completed 891 tests at store level in the 2nd and 3rd quarters of FY 2010. The test plan was developed by a group of zone managers and MIC staff to determine store level testing requirements. Critical questions were culled from the IG CCI checklist to pinpoint areas that the zone managers felt would be the most beneficial for them to test as they visited the stores. DeCA Manual 70-2.3 was developed to provide explicit guidance on how to conduct the testing and how often the test data would be reported to the MIC program. Each zone manager is required to test three stores per year, one per quarter beginning in 2nd quarter of the FY. The 1st quarter of the FY is a busy time for DeCA commissaries with holidays and celebrations sales. We ask our zone managers not to test during this time so that our focus can be on our mission – **“Deliver a Premier Commissary Benefit to the Armed Services Community.”** Additional tests may be accomplished as zone managers deem necessary throughout their zone of responsibilities; in fact some zone managers have already accomplished follow up testing at stores tested earlier in the year. The testing tool or

template is utilized as a source document to test internal controls at store level and prepare for audit and inspection. The data collected during the 2nd and 3rd quarters this FY provided insight into areas that needed closer scrutiny by stores and identified business processes that needed corrective action. If needed, test plans are reviewed and revised as the testing phase progresses and new information becomes available. The test plan sets the parameters for how tests are accomplished.

Test Results FY 2010 Customer Service Department									
IQ Test #	Process	Question	Risk	Tester		Description of Control Operations Test	Test Question(s) (Circle answers when specified)	(FOR MICP ONLY)	
				Internal Control Currently in Place (ICCP)	Tester's Phone #			Test Results (Findings)	CAP (Corrective Action Plan)
1	Change Fund	Is the change fund verified at the close of business and before the start of the next day, recorded in a log, signed and dated? Are memoranda on file appointing the change fund primary and alternate(s) custodians	Funds Control Compromised	Change Fund Log on file, signed and dated. Memoranda on file.	Review one month's change fund logs.		Month Reviewed:		
							Signed Start of Day: YES NO		
							Signed End of Day: YES NO		
							Are memoranda on file? YES NO		
							Identify Primary and Alternate Custodians		
2	Protecting Commissary Funds	Is the OSD manager keeping control of all personnel in the cash handling and fund storage areas?	Funds Protection Inadequate	AUTHORIZED PERSONNEL ONLY - clearly posted DeCA Poster 30-86, "Limited Access Area" list will be posted on the inside of the entrance to the cashier cage or cash handling area.	Review authorized personnel list, DeCAF 30-86 and DeCAF 30-83.		DeCAF 30-86 posted? YES NO		
							DeCAF 30-83 posted? YES NO		
							Do personnel sign in and sign out? YES NO		
3	Protecting Commissary Funds	Do more than four persons have knowledge of the safe combination and access to the safe?	Funds Control Compromised	Limit knowledge of safe combination and access to the safe to four persons, unless extenuating circumstances exist. When installation safe maintenance personnel or contract personnel assist in changing safe combinations; they will instruct the safe custodian on how to accomplish the combination change. However, they will not actually install the new combination on the safe or be given the new combination.	Review safe access list. If more than four people have access to the safe, an approved waiver, signed by the region director or designee, must be available for review.		Identify Primary and Alternate Custodians		
							Waiver on file signed by region director or designee? YES NO		
4	Protecting Commissary Funds	Are records maintained for the opening and closing of the safe and are approved personnel initiating the unlocking/opening of the safe?	Funds Protection Inadequate	Standard Form (SF) 702, Security Container Check Sheet, will be affixed to the exterior of each funds container. Record each opening and closing of the funds container. Only one end-of-day final check of a funds container is required. Retain SF 702 at least one year following the last entry. (DeCAD 30-18, para 6-5a; DeCAD 40-8, para 6-4)	Review SF 702 Security Container Check Sheets for opening and closing.		Are the SF 702s on file for year 1? YES NO		
							Is the SF 702 affixed to the exterior of the funds container? YES NO		
							Has the funds container been checked daily? YES NO		
5a	Coupon Operating Procedures	Is the coupon out-off date in DIBS used effectively to not exceed the \$20,000 limit (except for case lot sales), on each box of coupons shipped, and are the coupons mailed, in a timely manner, at least twice a month with only coupons from the current month included?	Funds Control Compromised	Coupons must be shipped at least twice monthly. The maximum number of calendar days a commissary will include in a shipment is the 1st through the 15th, and the 16th through the end of the month. Different months MUST NOT be so-mingled. Monthly out-off date for shipment is after COB of the last business day of the month. Shipments will not exceed \$20,000 in value. The Office of the Store Director (OSD) will place the coupon transmittal report in the box, seal the box securely to prevent damage during shipment, and mail the box within two business days after the coupon out-off date.	Sample automated transmittal forms for out-off amounts and dates for previous quarter. There should be no instances where different months are included on one transmittal form.		List months reviewed with number of transmittals per month:		
							Did any coupon exceed \$20,000? YES NO		

Figure 7– Zone Managers’ Test Plan

Control Analysis

The next step in the Appendix A process is the control analysis, the results from testing of the effectiveness of internal controls. **Figure 8** below is an example of a completed Control Analysis by zone manager testing accomplished in FY 2010. The risks and controls from the Risk Analysis are mapped to the Control Analysis. In most instances, the template provided to the process owners is completed and returned to the MIC program for documentation of test results. Control analysis is posted to the MIC SharePoint to provide a central data base location for all MIC program documentation

(<https://moss.apps.deca.mil/function/administrative/budget/A123/default.aspx>)

**Figure 8: Control Analysis –
Zone Manager Testing**

Test Results FY 2010 Customer Service Department									
IG Test #	Process	Question	Risk	Internal Control Currently In Place (ICCIP)	Description of Control Operations Test	Test Question(s) (Circle answers when specified)	(FOR MICP ONLY)		
							Test Results (Findings)	CAP (Corrective Action Plan)	
							Red=Yes	Green=No CAP	
1	Change Fund	Is the change fund verified at the close of business and before the start of the next day, recorded in a log, signed and dated? Are memoranda on file appointing the change fund primary and alternate(s) custodians	Funds Control Compromised	Change Fund Log on file, signed and dated. Memoranda on file.	Review one month's change fund logs.	Month Reviewed: March '10 Signed Start of Day: YES Signed End of Day: YES Are memoranda on file? YES Identify Primary and Alternate Custodians Keywonna Pringle Angela Pope Cynthia Scott			
2	Protecting Commissary Funds	Is the CSD manager keeping control of all personnel in the cash handling and fund storage areas?	Funds Protection Inadequate	AUTHORIZED PERSONNEL ONLY - clearly posted DeCA Poster 30-35, "Limited Access Area" list will be posted on the inside of the entrance to the cashier cage or cash handling area.	Review authorized personnel list, DeCAP 30-95 and DeCAF 30-83.	DeCAP 30-95 posted? YES DeCAF 30-83 posted? YES Do personnel sign in and sign out? YES Identify Primary and Alternate Custodians Keywonna Pringle Angela Pope Cynthia Scott Waiver on file signed by region director or designee? YES			
3	Protecting Commissary Funds	Do more than four persons have knowledge of the safe combination and access to the safe?	Funds Control Compromised	Limit knowledge of safe combination and access to the safe to four persons, unless extenuating circumstances exist. When installation safe maintenance personnel or contract personnel assist in changing safe combinations, they will instruct the safe custodian on how to accomplish the combination change. However, they will not actually install the new combination on the safe or be given the new combination.	Review safe access list. If more than four people have access to the safe, an approved waiver, signed by the region director or designees, must be available for review.	Identify Primary and Alternate Custodians Keywonna Pringle Angela Pope Cynthia Scott Waiver on file signed by region director or designee? YES			
4	Protecting Commissary Funds	Are records maintained for the opening and closing of the safe and are approved personnel initialing the unlocking/opening of the safe?	Funds Protection Inadequate	Standard Form (SF) 702, Security Container Check Sheet, will be affixed to the exterior of each funds container. Record each opening and closing of the funds container. Only one end-of-day final check of a funds container is required. Retain SF 702 at least one year following the last entry. (DeCAD 30-18, para 3-5a; DeCAD 40-6, para 3-4)	Review SF 702 Security Container Check Sheets for opening and closing.	Are the SF 702s on file for year 1? YES Is the SF 702 affixed to the exterior of the funds container? YES Has the funds container been checked daily? YES			
5a	Coupon Operating Procedures	Is the coupon cut-off date in DIBS used effectively to not exceed the \$20,000 limit (except for case lot sales), on each box of coupons shipped, and are the coupons mailed, in a timely manner, at least twice a month with only coupons from the current month included?	Funds Control Compromised	Coupons must be shipped at least twice monthly. The maximum number of calendar days a commissary will include in a shipment is the 1st through the 15th, and the 16th through the end of the month. Different months MUST NOT be co-mingled. Monthly cut-off date for shipment is after COB of the last business day of the month. Shipments will not exceed \$20,000 in value. The Office of the Store Director (OSD) will place the coupon transmittal report in the box, seal the box securely to prevent damage during shipment, and mail the box within two business days after the coupon cut-off date.	Sample automated transmittal forms for cut-off amounts and dates for previous quarter. There should be no instances where different months are included on one transmittal form.	List months reviewed with number of transmittals per month: March '10 - 2 February '10 - 2 January '10 - 2 December '09 - 2 November '09 - 2 Did any coupon exceed \$20,000? YES			
5b	Coupon Operating Procedures	Is the commissary maintaining proof of shipment (USPS Form 3817, Certificate of Mailing, provided by the Post Office or commercial shipper documentation) on coupon boxes shipped to the NCH?	Funds Control Compromised	Send all shipments prepaid and obtain a copy of USPS Form 3817, Certificate of Mailing, from the Post Office, or proof of shipment documentation by commercial shipping service. Attach the USPS Form 3817, Certificate of Mailing, from the Post Office, or proof of shipment documentation by commercial shipping service. Attach the USPS Form 3817 or proof of shipment documentation to the commissary's copy of the transmittal form to substantiate any loss in transit. OCONUS commissaries will ship FIRST CLASS/PRIORITY and will also obtain the USPS Form 3817. Do not use certified, registered, special handling, or overnight services for coupons. (DeCAD 70-6, paras 3-3a(1), (2), (3), 3-3b, 3-3c, 3-3f and 3-3g)	Validate that the correct applicable shipment documentation is attached to the commissary transmittal copy.	Specify which quarter was checked: 2nd qtr FY10 Is the USPS Form 3817 attached to shipment documentation? YES FEDEX			
6	Safety Education and Training	Are all quarterly safety meetings conducted and documented?	Failure to document training could lead to serious, even fatal accidents within the store, resulting in employee lost time.	Heads of DeCA activities will ensure that safety meetings are conducted at least quarterly in each functional department of the activity (meat, produce and grocery). These meetings may be formal or informal and may be held more frequently. Meeting subjects and attendance will be documented and retained by supervisors for one year. (DeCAD 30-17, paras 2-3h (5) and 4-9)	Check department safety meetings minutes for the past year.	Produce Quarter 1: Quarter 2: Quarter 3: Quarter 4: Meat Quarter 1: Quarter 2: Quarter 3: Quarter 4: Grocery Quarter 1: Quarter 2: Quarter 3: Quarter 4:	Many findings; better documentation needs to be done. Meetings need to be conducted in each separate department.		
7	Detecting Front-End-Fraud	Is the customer service department supervisor using daily CARTS EXCEPTION report to monitor each cashier's progress?	Failure to monitor cashier performance could result in financial losses to the store.	The customer service department supervisor shall keep track of each cashier's performance. The supervisor will use POS and management reports to monitor each cashier's progress. The cashier performance measures to be watched are: a) Number of customer transactions; b) total daily sales; c) hourly sales; d) time register is open; e) dollar value short/over; f) coupon audits; g) number and amount of voided transactions; h) number of valid/substantiated customer complaints and compliments; i) courtesy to customers; j) items scanned versus manual entry; k) no sales, and l) compliance with sanitation, safety, and security requirements. DECAD 40-6 para 2-3.	Review last two weeks of evidence that CARTS EXCEPTION report is reviewed daily and supervisor is tracking performance.	Is EXCEPTION report reviewed daily? YES NO Is supervisor tracking performance? YES NO CARTS EXCEPTION report not used but another report was used and viewed daily by supervisor.			

Comments:

For controls that have been tested by another DeCA entity, such as the IG, Internal Audit, or our external auditors, the results from those findings may be used instead of having to complete a

redundant test. The goal of the templates provided is to integrate all information available from entities conducting testing in the Agency, augmented by the additional tests conducted by management, to give a comprehensive picture of the state of each assessable unit's internal controls.

Corrective Action Plans (CAP)

Once a control deficiency has been discovered, either in the risk analysis phase or as the result of a control failing its operation test, the implementation of a CAP is mandatory. In our experience, the solution of a problem can often take on a life of its own absent strict standards for resolution. DeCA will be using precisely the same CAP format for our overall program as we use in Appendix A. The example provided (see **Figure 9**) is one of the corrective actions we implemented for store level personnel file review, customer service department, and the meat department.

The CAP requires the AUM responsible for the control deficiency to establish:

- An individual responsible for the area where the deficiencies were found;
- A detailed plan to correct the deficiency;
- Milestones and a projected completion date; and
- Status of the solution at each milestone.

The absence of one of these four factors leads to failure when attempting to correct problems. In addition to the responsible manager reporting the status of the solution to the AUM, the AUM must also keep the Senior Assessment Team apprised of their progress. This level of reporting and accountability creates visibility of an issue to our senior managers that was often lacking in the former paradigm.

DECA Corrective Action Plan - FY 2010									
Location		Parris Island		2. Preparer:			Alan Jones		
4		5		3. Preparer's Phone #:			757-613-4135		
# Question /Functional Area	Date Initiated	Corrective Action Plan (CAP)	Internal Control Currently in Place	Status	9 Milestones w/ completion Date		10 Status Identify: Ongoing or Complete		
2/Personnel Review	5/10/2010	Recommend review of personnel records procedures to include preparing performance plans for employees with store director. Make appropriate corrections to identified employee files identifying critical and non critical elements. Review personnel files again in 3 months to determine compliance with corrective action.	Rating officials must develop (generally in concert w/employees) performance plans. Each performance plan must contain at least four performance elements. Employees must have at least one non-critical element as part of their performance standards. The critical elements must total more than one-half of the total of critical and non-critical elements. It is absolutely essential, and simply good business, to make certain that each individual in the Agency understands his/her role in supporting and accomplishing the strategic goals, objectives and mission of DeCA. It is important that each and every employee has ownership of, and can identify with, one or more of the key outputs DeCA measures. These outputs need to be clearly identified and detailed in employee performance plans. (DeCAD 50-7, para 2-4a)	Corrective Action was implemented on (please insert date accomplished).					
6/Customer Service	5/10/2010	Recommend review of conducting and documenting safety meeting quarterly with store director and department managers. Review minutes of each department in 3 months to determine if department managers are conducting pertinent safety meetings and documenting minutes and attendance.	Heads of DeCA activities will ensure that safety meetings are conducted at least quarterly in each functional department of the activity (meat, produce and grocery). These meetings may be formal or informal and may be held more frequently. Meeting subjects and attendance will be documented and retained by supervisors for two years. (DeCAD 30-17, para 4-5 (a),(b).	Corrective Action was implemented on (please insert date accomplished).					
3/Meat Department	5/10/2010	Recommend review of procedures for maintaining current price lists on all processed and non-processed items. Review price lists for signature and date by appropriate personnel in 3 months. Verify 25 items for pricing in refrigeration to price lists.	The meat department manager, leader, and/or designated meat associate will establish and maintain a current price list on all processed and non-processed items. All price lists must be approved in signature and dated by the store director or authorized designated representative. The current automated retail cuts report, extracted from the Automated Cutting Test Program, which is located within the meat department data files, can be used as the processed item price list. NOTE: The price on the label in the display case will agree with the approved price list. (DeCAD 40-3, para 5.4)	Corrective Action was implemented on (please insert date accomplished).					

Figure 9: Corrective Action Plan

Training

The training of managers and the Agency as a whole is extremely important to the DoD Managers' Internal Control Program. In order to reach all employees, the MIC manager in coordination with the Corporate Communications Directorate developed a training video that facilitated a greater understanding of the program and led the way for a new culture of thinking. The Agency continues to utilize the training video established in 2009 as part of the MIC training for all DeCA employees in FY 2010. Employees complete the online training as part of their mandatory training requirements which reemphasizes their role in internal controls and helps to support a new culture of thinking.

MIC staff developed and piloted a training module for DeCA's store directors course in FY 2010. The learning objective for this module was for store directors to "know their role in internal controls." Performance steps included: (1) Introduction to Appendix A methodology, (2) Define how this methodology may be used in process improvement, (3) Identify what role the store director has in providing leadership to department managers and store employees concerning internal controls identification and testing, and (4) Assist staff in testing and documenting compliance. This store director training, offered by the Workforce Development Directorate three to five times a year, will reach a significant number of store managers annually.

Face-to-face training and communication is available for all process owners at any time, but especially after receipt of the new fiscal year's guidance from DoD and prior to each deliverable phase. Understanding Appendix A methodology and how it adds value to every process is a key element of our successful internal control program. We continue to use rack cards, posters, and

bookmarks which provide a point of contact in MIC and serve as a visual reminder to employees of their role in the internal control process.

Inspector General

The IG plays a vital role in the validation of the effectiveness of internal controls within the Agency. They are the front line investigators responsible for verifying that the internal controls at the store level are adequately implemented and monitored. The IG conducts two types of inspections, the unannounced Commissary Compliance Inspections (CCI) and the Staff Assistance Compliance Inspections (SACI).

The CCIs are performed where risk assessment indicators show that the commissary would benefit from an inspection; where a follow-up inspection is needed based on prior inspection results or recent events; or when nominated by the DeCA leadership. The CCI checklist that assesses a commissary's internal controls is reviewed and updated annually. For the FY 2010 inspection program, the first ever CCI Checklist Working Group was established to update the CCI Checklist. Zone managers, store directors, and other subject matter experts along with MIC staff provided suggestions on improving the effectiveness of the CCI program.

The SACIs are announced or unannounced based on requests by management when a new store director is scheduled to report or has recently reported to a commissary. The SACI helps the new manager baseline their commissary, central distribution center, or Central Meat Processing Plant and establish goals and priorities. SACIs are also conducted when specific or systemic issues, generally narrower in focus, require site visits to collect, research and analyze data. These evaluations target potential problems with high risk processes such as the government purchase card or property accountability.

IG inspectors and evaluators adhere to the Quality Standards for Inspections issued by the Council of Inspectors General on Integrity and Efficiency (CIGIE) for all inspections and evaluations.

Internal Audit

The Office of Internal Audit performs a multitude of professional audit services at headquarters, region, and store-level. Their focus is to perform audit services that:

- Improve the commissary benefit;
- Decrease costs without diminishing the benefit; and
- Evaluate the significant, long-term, or systemic issues that are crucial to mission performance or that pose a risk for fraud, waste, or abuse.

In addition to providing internal audit services, they serve as the primary liaison for all external audits conducted by the Government Accountability Office (GAO) and the Department of Defense Inspector General.

To develop their internal audit plan, they solicit audit topics and suggestions from DeCA directors and staff office chiefs, regions, stores, and the Audit Committee of the Board of Directors. They also generate audits internally based on:

- DeCA’s strategic plan and direction;
- Management-identified control risk;
- Emerging issues; and
- Audit entity files.

In addition to the audit suggestions and the internally generated audits, the plan includes follow-up audits which are required by the GAO Comptroller General of the United States.

FY 2010 Audit Plan

Follow-up Audit—FY 2007-2008 Recommendations
On-Site Sales—Guard and Reserve
Accounts Payable and Unliquidated Obligations
Equipment Installation—New Construction, Additions and Alterations
Management Out of Cycle Request—DeCA West
Management Out of Cycle Request—DeCA East
Resale Inventory Procedures
Vendor Credit Memos
Front-End, DeCA Europe
Follow-up Audit—2008 and 2009 Recommendations
Total Facility Maintenance Contract
Cost Savings
Payment Card Industry/Data Security Standards
Peer Review
Contingencies for Special Requests, Investigation and Other Audit Efforts

Evidence of Control Issues Discovered or Resolved During Reporting Period

Description of Issue: Excessive overage and shortages occurred during receiving process at commissaries.

Accomplishments:

- A blackbelt project was initiated to streamline the receiving process at the commissaries and was able to reduce, by hundreds of hours, the time to verify and account for products received from distributors. A program was developed with one of the Agency’s largest distributors and, as a pilot program, encompassed over 40 stores with additional stores subsequently added. The objective was to take advantage of the controls already in place at the distributor’s facility to minimize overages and shortages for frequent store deliveries. With independent verifications by the Agency, discrepancies in shipments were statistically determined, agreed to by the distributor, and applied to all like shipments within a specific period of time. The goal of this project was to develop and implement an efficient and effective method of receiving that was fair to both parties.

- Through controlled sampling and verification, a Distributor Discrepancy Rate (DDR) was developed for over 40 of the DeCA East stores supported by Military Distributors of Virginia/Nash Finch. By using the DDR, the receiving process was reduced to a single task, validating the number of pallets against distributor's paperwork. The process cycle time went from 3 hours per delivery to 50 minutes and produced a labor savings of \$1.1 million. The DDR was also implemented in DeCA West with Coastal Pacific Food Distributors Stockton where the process cycle efficiency went from 2 hours per delivery to 40 minutes and produced labor savings of \$300 thousand. FY 2010 added an additional 26 stores to utilize the DDR and the remainder of the commissaries are anticipated for implementation in FY 2011. Once all commissaries are utilizing the DDR policy changes, directives will be updated to reflect procedural improvements for full implementation.

Description of Issue: Reduction of Number of Unliquidated Obligation (ULO) Records Carried Forward to Subsequent Fiscal Year for Nonresale Account

Accomplishments:

- Project was piloted in FY 2008 and then executed in FY 2009 and 2010 to reduce the number of ULO records carried forward into the next fiscal year. ULOs are always a focus item, but the immediate motivation for the project was the potential conversion of legacy financial systems to the Defense Agencies' Initiative (DAI), in FY 2012. We wanted to maximize the use of resources by encumbering them only when a bona fide need continued to exist to fund the receipt of goods or services. In FY 2009, the number of ULO records for nonresale requirements was reduced from 20,258 records at the end of FY 2008 to 15,068 at the end of FY 2009, a 26 percent reduction. An additional reduction of 7 percent is expected for FY 2010.

Description of Issue: Reduction of Number of Outstanding Permanent Change of Station (PCS) Records for FY 2005-FY 2008

Accomplishments:

- A greenbelt project was initiated to determine why so many PCS records remained open after moves should have been completed. At the start of FY 2010, \$12 million remained unliquidated on orders issued March 31, 2008, or earlier. The greenbelt project focused on the content of the PCS orders, the instruction given to the traveler by Human Resources, and the types of entitlements offered to the employee under federal guide lines. The team determined that while the PCS orders were properly prepared and explained, many employees had no clear understanding of how long the entitlement was available pending decisions to move or endure a long commute, or to sell or retain the residence. Because some PCS events are often linked – like the shipment of household goods with the buying and/or selling of a residence, and the filing of a RITA claim after reimbursement for other entitlements – the greenbelt project identified critical times when it would be productive for the travel support team to discuss the status of the PCS move with the employee. The employees appreciated the personalized attention, claims were filed timely with fewer mistakes, order amendments were processed as necessary, and liabilities were closed out

soon after the PCS order expired. As a result, in only a 5 month period, the aged PCS liabilities dropped from \$12 million to less than \$5 million with additional reductions projected.

Conclusion

The Agency's ability to deliver the premiere military benefit depends on our efforts to recognize opportunities for improvement and to implement them as fully as possible, as soon as possible. Our wholehearted commitment to the military community compels us to continue to look for new and innovative methods to conduct our business. Our program is an acknowledgment that internal controls and our systems for testing their effectiveness and efficiency will continue to be a top priority for the Defense Commissary Agency.