DEPARTMENT OF THE ARMY
WASHINGTON DC 20310

DEC 21 2009

MEMORANDUM FOR SEE DISTRIBUTION

SUBJECT: Stewardship and the Army Managers' Internal Control Program

1. Internal controls are the rules, procedures and mechanisms we use every day to ensure what should happen in our daily operations does happen. Internal controls promote the wise use of resources; deter fraud, waste, and abuse; and protect our resources -- our dollars, our equipment and, most importantly, our people. Rooted in our professional military ethic, the Army is a trusted institution with leaders committed to doing what is right in all aspects of our operations.

2. The Army Managers' Internal Control Program is designed to ensure programs operate as intended, areas needing improvement are identified and reported, and timely corrective action is taken. The program promotes these goals through periodic evaluation of key controls, and full disclosure of the shortcomings we detect. Since inception in 1982, the Army Internal Control Program has identified and reported 236 Army-wide material weaknesses of which 232 were corrected through fiscal year 2009.

3. Responsibility for good internal control rests with all Army personnel – managers must establish a positive control environment. Your continued diligence, oversight and leadership are crucial in this regard. We ask you to stress the importance of effective internal controls to your mission, to ensure your staffs understand their responsibilities in this program, and to demand integrity in the prompt reporting of internal control problems and the actions taken to resolve them. The Army must have a Managers' Internal Control Program that adds value and demonstrates a commitment to effective stewardship of the resources entrusted to us by the American people.

Peter W. Chiarelli
General, U.S. Army
Vice Chief of Staff

Joseph W. Westphal
Under Secretary of the Army

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