

ERGO MANAGEMENT REVIEW AND THE MANAGER'S INTERNAL CONTROL PROGRAM

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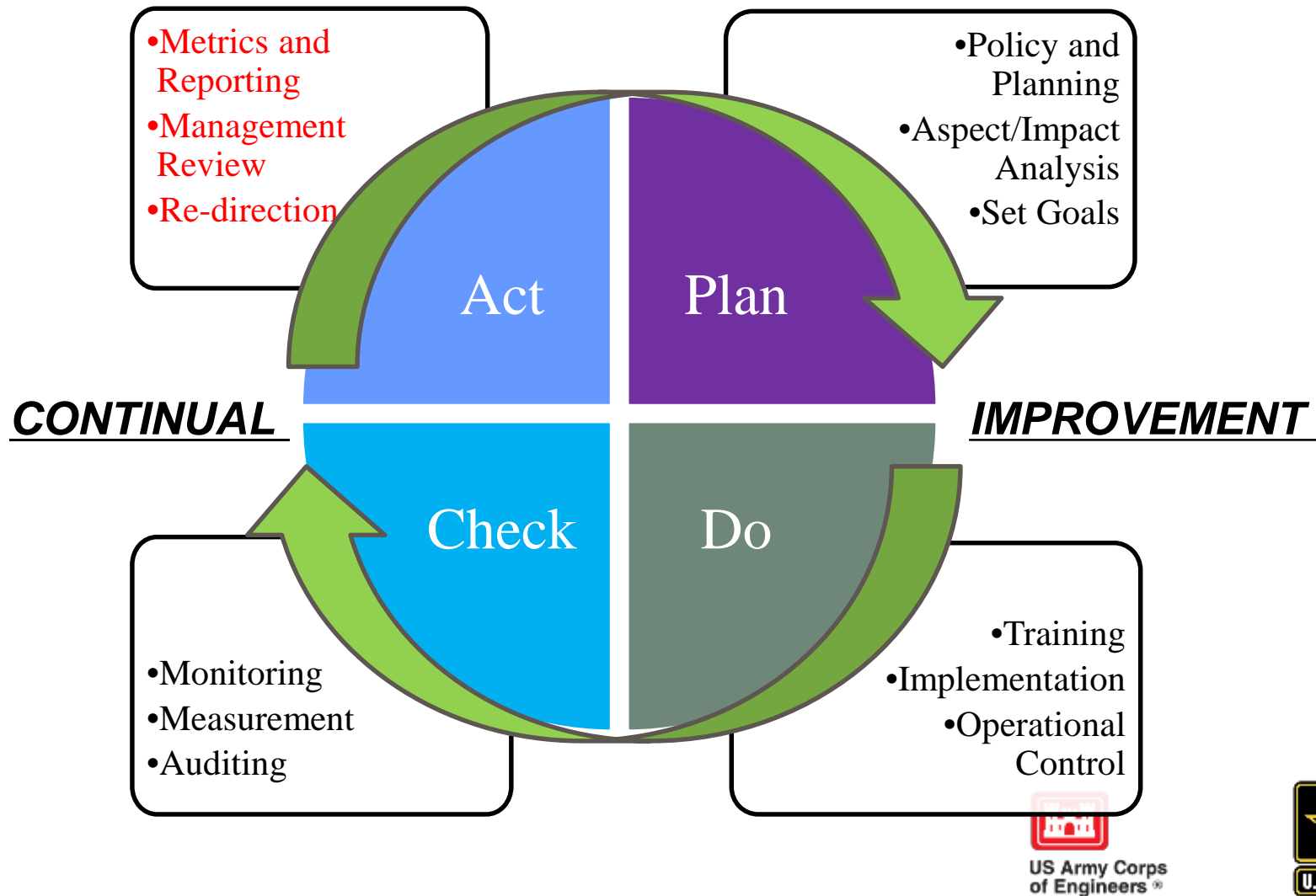


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USACE COMPLIANCE AND SUSTAINABILITY PROGRAM MANAGEMENT FRAMEWORK

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ENVIRONMENTAL COMPLIANCE ANNUAL MANAGEMENT REVIEW PROCESS

ER 200-2-3, *Environmental Compliance Policies* (Section 4-6)

- Timing
 - Reviewing “final” data from assessments conducted 1 year ago
 - First business day after 31 Oct each year
- ERGO metrics supported by CPTrack
 - Rate (%) of Scheduled ERGO Assessments completed annually
 - Rate (%) of Findings corrected annually, Outgrant vs. Corps
 - Legacy Contamination Surveys
- Concurrent reviews conducted annually:
 - **Top-down** -- ERGO Assessments and Findings metrics: HQ USACE, Divisions, Districts
 - **Bottom-up** -- Summary of Uncorrected Findings: Districts and Projects

FY16 ERGO PERFORMANCE SUMMARY *

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	FY16 Assessment Metric Rating (Goal: 100%)		FY15 Findings Metric Rating (Goal 75%)		
	Internal	External	Corps Managed	Outgrant	Perfect Projects
USACE TOTALS	85%	83%	47%	43%	110
LRD	84%	97%	53%	56%	25
MVD	77%	73%	74%	0%	51
NAD	98%	94%	20%	39%	8
NWD	89%	100%	51%	40%	2
POD	#DIV/0!	0%	#DIV/0!	#DIV/0!	0
SAD	33%	50%	37%	33%	0
SPD	91%	100%	70%	67%	21
SWD	98%	100%	58%	65%	3

FY16 Assessment Totals	
Internals Finalized	396
Externals Finalized	108
District-By	18
Not Final	47
Not Assessed	55
Total	624
CPTTrack Project Count	624

Other interesting statistics:

- Total “Corps-managed” FY15 Findings: 2553
- Total “Outgrant” FY15 Findings: 1047
- “Perfect” Projects: 110
 - Projects with finalized assessments, but “zero” findings
 - Is “Perfect” credible?



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LEGACY CONTAMINATION SITE SURVEY COMPLETION

(CPTRACK DATA AS OF 21 FEB 2017)

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	% Legacy Contamination Surveys Completed	# Project Sites	Count of Completed Sites
USACE Total	31%	604	189
LRD	34%	127	43
MVD	5%	132	33
NAD	42%	67	28
NWD	41%	76	31
SAD	32%	47	15
SPD	48%	48	23
SWD	59%	98	53

Green Threshold: >66%; Red <50%



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ERGO MANAGEMENT REVIEW

(RECOMMENDATIONS FOR IMPROVEMENT)

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- Project Site Survey defines “*minimum initial scope*” of all assessments; assessments should “skip” relevant protocols
- Schedule, Execute, and Finalize Assessments
 - Finalize assessments to get credit for work done
 - Update assessment schedule in CPTrack to accommodate unforeseen delays in assessments
 - Use District-By appropriately (ER 200-2-3)
 - Minimize projects not assessed
- Close current AND past-year findings
 - Have a healthy skepticism regarding “Perfect” Projects
- OPMs need to engage in bottom-up review
 - Make sure data aligns with reality on the ground



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MANAGER'S INTERNAL CONTROL PROGRAM (MICP)

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ERGO as an Internal Control (*Checklist*)

Simple if Compliant with ER 200-2-3

Gains Leadership Attention

Complete DA Form 11-2

Managed/Reviewed at District Level



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INTERNAL CONTROL EVALUATION PLAN (ICEP)

- The ICEP is an organization's written plan developed for conducting required management control evaluations
- The ICEP should be tied to a risk assessment process. Controls for high-risk areas should be evaluated more often than controls for less risky areas.
- The Goal of the ICEP is to
 - Identify Evaluation Areas to be reviewed, tested, and summarized.
 - Identify the governing regulation(s) relating to each evaluation area.
 - Define the functional area responsible for conducting each evaluation.
 - Schedule when each evaluation will occur.
- District and Division ECCs are the "Evaluator"
- Division/District OPS Chief or Commander signs the DA 11-2



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MANAGERS' INTERNAL CONTROL PROGRAM ANNUAL STATEMENT OF ASSURANCE BASIS

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Title 31 USC 3512(b)

Federal Managers' Integrity Act

Established requirement for internal control program to provide reasonable assurance and report annually to the President and Congress

OMB Circular A-123

OMB Circular A-127

DoDI Directive 5010.40

AR 11-2 Manager's Internal Control Program

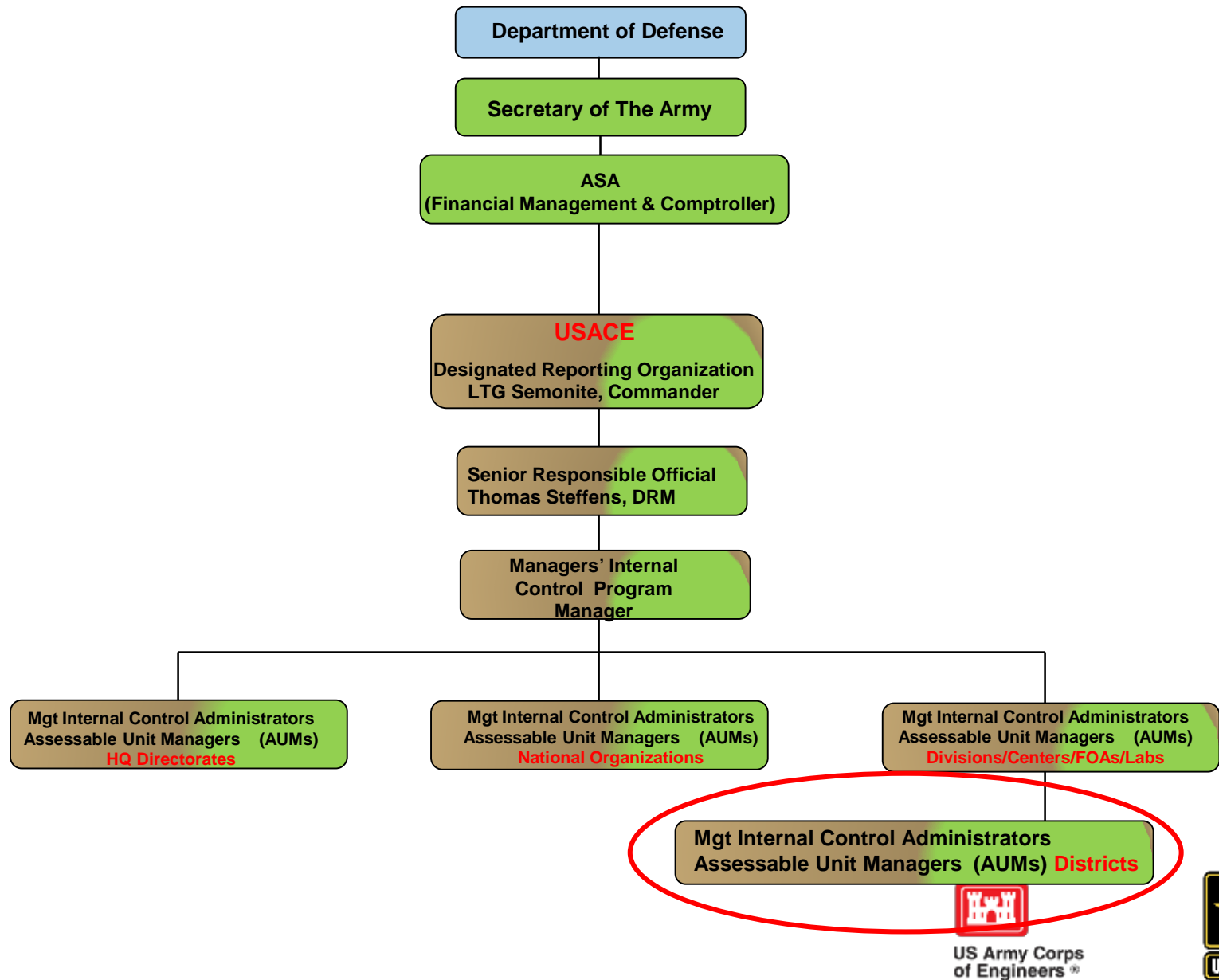
GAO Standards for Internal Control in the Federal Government



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USACE MICP HIERARCHY



INTERNAL CONTROL EVALUATION CERTIFICATION For use of this form, see AR 11-2; the proponent agency is ASAIF/MSCI		1. REGULATION NUMBER ER 200-2-3
		2. DATE OF REGULATION 20101029
3. ASSESSABLE UNIT Operations Division, NRM		
4. FUNCTION Civil Works Operations Projects' Environmental Compliance, Energy and Sustainability		
5. METHOD OF EVALUATION (Check all that apply)		
<input checked="" type="checkbox"/> a. CHECKLIST ERGO Manual	<input checked="" type="checkbox"/> b. ALTERNATIVE METHOD (indicate method) Internal/External Environmental, Energy, & Sustainability assessments were scheduled, executed, and reported in the systems of record, CPTack and CTS, for all NWS Operating Projects in accordance with ER 200-2-3.	
APPENDIX (Enter appropriate letter)		
6. EVALUATION CONDUCTED BY a. NAME (Last, First, MI) Wilson, Brian, J		b. DATE OF EVALUATION 20151214
7. REMARKS (See Attached) Use this block to describe the method used to test, key controls, the internal control weakness(es) detected by the evaluation (if any) and the corrective action(s) taken. (THIS IS MANDATORY)		
8. METHOD OF TESTING KEY CONTROLS (Check all that apply)		
<input checked="" type="checkbox"/> Direct Observation	<input checked="" type="checkbox"/> Review of Files or Other Documentation	<input checked="" type="checkbox"/> Analysis
		<input checked="" type="checkbox"/> Sampling
		<input type="checkbox"/> Simulation
		<input checked="" type="checkbox"/> Interviews
Other (explain)		
9. EVALUATION RESULTS (include specific issue feedback) Comprehensive results of the ERGO assessments conducted in FY15 at all NWS Operating Projects were documented in CPTack and are available upon request. Additional energy and sustainability assessments are documented in the Compliance Tracking System (CTS). Overall, the assessment results indicate that NWS and associated Outposts are generally operated and maintained in compliance with applicable environmental laws and regulations. In cases where findings of non-compliance were identified and not corrected on-site during an assessment, corrective action plans were developed and recorded in CPTack.		
c. INTERNAL CONTROL DEFICIENCIES DETECTED, IF ANY (include potential material weaknesses): None. NWS's ERGO management process is a robust and efficient property, ensuring compliance with Federal, State, and local environmental laws and regulations. ERGO findings of non-compliance do not constitute Internal Control Deficiencies.		
d. DESCRIBE CORRECTIVE ACTIONS TAKEN, IF APPLICABLE. None.		
e. CERTIFICATION I certify that the key internal controls in this function have been evaluated in accordance with provisions of AR 11-2, Army Managers' Internal Control Program. I also certify that corrective action has been initiated to resolve any deficiencies detected. These deficiencies and corrective actions (if any) are described above or on attached documentation. This certification statement and any supporting documentation will be retained on file subject to audit request or until superseded by a subsequent internal control evaluation.		
f. ASSESSABLE UNIT MANAGER (1) Typed Name and Title John G. Buck, COL, L.N., Commanding		
(2) Signature		b. DATE CERTIFIED



MICP PERFORMANCE FOR FY17 – *INITIAL HQ-LEVEL REVIEW*

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Manager's Internal Controls Program (MICP) DA 11-2 Submission for FY17		
MSC	Division-Level DA 11-2	District-level DA 11-2
LRD	Complete	Complete (7 of 7)
MVD	None	Complete (6 of 6)
NAD	Complete	Complete (4 of 4)
NWD	Complete	Complete (4 of 4)
POD	Complete	None
SAD	Complete	Complete (5 of 5)
SPD	Complete	Incomplete (2 of 4)
SWD	Complete	Complete (4 of 4)



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NOW ITS YOUR TURN:

THOUGHTS...

CONCERNS...

SUGGESTIONS...

QUESTIONS?



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