

 <p>BULLETIN</p> <p>Maritime Administration</p>	No: 900-03-01	
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To: All Employees		
Subject: MARAD Internal Control Program (MICP) Components and Assessable Units		

Section 1. Purpose. This bulletin identifies MARAD components and assessable units (AUs) for agency activity complying with requirements of the Federal Managers' Financial Integrity Act of 1982 (FMFIA) and internal control program implementation consistent with OMB Circular A-123 guidance and Maritime Administrative Order 900-3.

Section 2. Background. The Congress, Office of Management and Budget (OMB), and Government Accountability Office (GAO) have directed attention to the need for federal agencies to establish and maintain sound internal control systems as a primary means of providing greater accountability. Internal control, in the broadest sense, includes the plan of organization, methods, and procedures adopted by the agency to meet its goals. Thus, internal control includes processes for planning, organizing, directing, controlling, and reporting on agency operations. As internal control is integral to program performance and effectiveness, with the agency's strategic objectives providing the basis and focus for evaluation and risk assessment and risk mitigation, from the program performance perspective assessable units are viewed as performance segments for performance measurement, management, and evaluation. MICP components and assessable units essentially comprise the agency performance framework.

Section 3. Components. MARAD components represent the agency's primary program areas for the assessment of risk and review and evaluation of controls. A component groups together similar activities which have similar inherent risks and is generally headed by a senior executive. Components may conduct program operations in many locations, with each location following and using the controls prescribed by the component head, consistent with agency internal control policy and protocols. MICP identifies the following seven MARAD components:

- Administration (MAR-300)
- Budget and Programs/Finance (MAR-250)
- Business and Finance Development (MAR-700)
- Environment and Compliance (MAR-400)
- Intermodal System Development (MAR-500)
- Strategic Sealift (MAR-600)
- U.S. Merchant Marine Academy (MMA-5100)

Component heads have responsibility for implementing MICP within their respective organizations, consistent with MAO 900-3.

Section 4. Assessable Units. MARAD assessable units (AUs) are programmatic or functional divisions of a component enabling program performance and internal control analysis and evaluation. From the perspective of program performance and evaluation, AUs units are viewed as performance segments. AUs will often have one or more subordinate functional areas that need to be considered together in risk and control assessment for the AU. Some AUs may have several functional areas or sub-segments. MICP identifies the following 46 MARAD assessable units and their corresponding components:

- Acquisition Management (Administration)
- Administrative Services and Facilities Management (Administration)
- America's Marine Highways (Intermodal System Development)
- Assistance to Small Shipyards (Business and Finance Development)
- Cargo Preference (Business and Finance Development)
- Deepwater Ports (Intermodal System Development)
- Emergency Preparedness and Response (Strategic Sealift)
- Environmental Sustainability (Environment and Compliance)
- Federal Ship Financing Program (Title XI) (Business and Finance Development)
- Financial Management (Budget and Programs/CFO)
- Gateways (Intermodal System Development)
- Human Resources Management (Administration)
- Historic Preservation (Strategic Sealift)
- Information Technology Management (Administration)
- Maritime Security Program (Strategic Sealift)
- Maritime Transportation Safety (Environment and Compliance)
- Maritime Transportation Security (Environment and Compliance)
- National Defense Reserve Fleet Logistics (Strategic Sealift)
- National Defense Reserve Fleet Operation/Environmental (Strategic Sealift)
- National Defense Reserve Fleet Safety (Strategic Sealift)
- NSS SAVANNAH Technical Staff (Strategic Sealift)
- Port Conveyance Program (Intermodal System Development)
- Port Infrastructure Development Program (Intermodal System Development)
- Ready Reserve Force Maintenance and Repair (Strategic Sealift)
- Ready Reserve Force Operations/Environmental (Strategic Sealift)
- Ready Reserve Force Outporting (Strategic Sealift)
- Schoolships Maintenance and Repair (Strategic Sealift)
- Ship Disposal (Strategic Sealift)
- State Maritime Academies (Business and Finance Development)
- USMMA Acquisitions Management (Administration)
- USMMA Administrative Services (U.S. Merchant Marine Academy (USMMA))
- USMMA Admissions (U.S. Merchant Marine Academy)
- USMMA Affiliated Organizations/Non-Appropriated Funds Instrumentalities (USMMA)
- USMMA Athletics and Physical Education (U.S. Merchant Marine Academy)
- USMMA Capital Improvement Program (CIP) (U.S. Merchant Marine Academy)
- USMMA Facilities Management (U.S. Merchant Marine Academy)
- USMMA Financial Management (Budget and Programs/CFO)
- USMMA Gifts and Bequests (U.S. Merchant Marine Academy)
- USMMA Human Resource Management (Administration)
- USMMA Information Technology Management (U.S. Merchant Marine Academy)
- USMMA Instructional Program (U.S. Merchant Marine Academy)
- USMMA Midshipmen Program (U.S. Merchant Marine Academy)

USMMA Museum (U.S. Merchant Marine Academy)
USMMA Security (U.S. Merchant Marine Academy)
USMMA Waterfront Program/Vessels (U.S. Merchant Marine Academy)
War Risk Insurance (Business and Finance Development)

Section 5. Review of MICP Component and Assessable Unit Framework. As organizations, programs, risk, and emphases are subject to change, consistent with a dynamic risk-based system and MAO 900-3, the MARAD component and assessable unit framework will be reviewed annually.

Section 6. MARAD Internal Control Program Plan (MARAD ICPP). As per MAO 900-3, the agency internal control program is guided by a program plan. Internal control program operations and activities for the components and assessable units in this bulletin, and milestones for completion, are identified in the MARAD ICPP.

Section 7. Effective Period. This bulletin will be reviewed and updated no later than March 31, 2016.


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