



DEPARTMENT OF THE NAVY

NAVAL TRAINING CENTER
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NTCGLAKESINST 7010.2C
CEV
12 March 02

NTC GREAT LAKES INSTRUCTION 7010.2C

Subj: MANAGEMENT CONTROL REVIEW BOARD (MCRB)

Ref: (a) DOD Financial Management Regulations Vol 13 Chap 9
(b) SECNAVINST 7010.7E
(c) NAVCOMPT Manual, Vol IV, para 041502-6
(d) NTCGLAKESINST 5500.3B
(e) NAVSUPINST 7500.4B

Encl: (1) Management Control Review Board Activities Schedule

1. Purpose. To properly implement references (a) through (e), define the functions of the Management Control Review Board, list activities concerned and establish a schedule for reviews.

2. Cancellation. NTCGLAKESINST 7010.2B. This instruction has been substantially revised and should be read in its entirety.

3. Discussion. Review boards are necessary to assist in the continuing assessment of the competency, efficiency and integrity with which command operations are conducted. Enclosure (1) is a list of activities subject to review.

4. Review Objectives. The objectives of a review include:

a. To appraise the effectiveness of systems, procedures and internal controls in providing safeguards against fraud and error.

b. To ascertain whether records are accurate, complete and account for all assets.

c. To determine compliance with pertinent regulations, policies, principles and procedures.

d. To appraise the general efficiency of management.

5. Responsibilities of the MCRB.

a. In addition to the responsibilities delineated in references (a) through (e) and various other directives, the MCRB shall:

(1) Become familiar with the directives covering the operations of the activity and report on the degree of compliance with such directives.

(2) Determine the accuracy of the system of internal checks and controls and their effectiveness.

(3) Ascertain the accuracy and propriety of transactions by performing a review of accounts and records.

(4) Assist management by the submission of constructive suggestions and appraisals.

b. The members of the MCRB shall furnish constructive assistance by all possible means in dealing with the official and employees of the fund activity under review.

6. Membership of the MCRB. The MCRB shall consist of the Command Audit Officer and members appointed by him/her. When members of the MCRB are rotated, replacements shall be appointed based on their educational background, prior training and present billet assignment. To maintain separation of duties and avoid the appearance of conflicts of interest, members of the MCRB shall not, either directly or indirectly, be involved with those fund activities being reviewed.

7. Assignment of Specific Responsibilities.

a. MCRB members shall become thoroughly familiar with the applicable portions of references (a) through (e) covering their review or cash count areas and shall consult with the Senior Member when technical advice/interpretation is needed.

b. The Senior Member MCRB shall:

(1) Assign members to perform the details of review and cash counts.

(2) Conduct reviews and cash counts of activities listed in enclosure (1) at the close of accounting periods, when the person responsible for funds is relieved and at such other times as may be required/directed.

(3) Indoctrinate and train new members and alternates before they are assigned to their first review or cash count.

(4) Retain review/working papers on file. The working papers shall be maintained in the Command Evaluation Office.

8. Reports.

a. Reports of reviews of activities listed in enclosure (1) shall be submitted within ten days following completion of the review. Such reports shall be addressed to CNTC via the respective activity director or manager. All correspondence relative to findings and recommendations must be submitted to the Senior Member, MCRB, Command Evaluation Office.

b. Follow-up reports on the status of corrective actions shall be submitted by the activity reviewed to CNTC, via the Senior Member, MCRB, within 30 days after receipt of the findings, and every 30 days thereafter until completion of all discrepancies.


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Distribution:
NTCGLAKESINST 5216.5M
List I and II Case A

