



DEPARTMENT OF THE ARMY
OFFICE OF THE ASSISTANT SECRETARY OF THE ARMY
FINANCIAL MANAGEMENT AND COMPTROLLER
109 ARMY PENTAGON
WASHINGTON DC 20310-0109

SAFM-FO

OCT 6 2014

MEMORANDUM FOR

ADMINISTRATIVE ASSISTANT TO THE SECRETARY OF THE ARMY
DEPUTY CHIEF OF STAFF, G-1
DEPUTY CHIEF OF STAFF, G-4

SUBJECT: Administrative Control of Funds – Controls Over Centrally-Managed Accounts

1. Reference Memorandum, Office of the Under Secretary of Defense (Comptroller), August 7, 2013, subject: Administrative Control of Funds.
2. A centrally-managed account (CMA) is a formal administrative subdivision of funds (allocation or allotment) managed at the highest practical level and allows officials at a lower echelon to charge obligations or expenditures to the CMA for authorized purposes without further determination or certification of fund availability for the individual transactions. Fund balances at the allocation/allotment level are subject to the provisions of 31 U.S.C. 1517 (a)(1) and the fund holder is responsible for establishing adequate controls to prevent the CMA from becoming over-obligated. The Army has three CMAs meeting this criteria: 1) Foreign Currency Fluctuation (Operating Agency 22); 2) Military Pay (Deputy Chief of Staff, G-1); and 3) Second Destination Transportation (Deputy Chief of Staff, G-4).
3. In accordance with DoD FMR Volume 14, Chapter 1, Army is required to review CMA annually and provide certification as to the adequacy of controls. The Army's annual evaluation of the administrative fund control process and the processing of ADA violations is the vehicle for this certification.
4. At a minimum, the fund holder (identified above) to whom the Funding Authorization Document was issued for each of these CMA is requested to provide my office a feeder statement in the form of a memorandum providing an explicit statement certifying: "For Fiscal Year 2014, the internal controls over centrally-managed accounts were in place and effective. Monthly accounting and reporting processes are generally adequate to reduce the risk of over obligations."
5. Fund holders are required to maintain documentation supporting this assessment and be able to produce it on request. At a minimum, records on the following should be maintained:

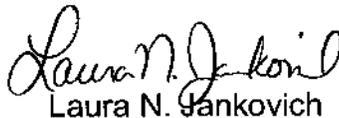
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- a. Appropriation and dollar value of the CMA;
- b. Rationale for establishing a CMA and why it is preferable to other methods of managing the appropriation;
- c. Individuals primarily responsible for managing the CMA and ensuring fund control;
- d. Organizations authorized to make obligations against the CMA;
- e. Fund controls in place to establish limits on the amount and type of obligations chargeable to the CMA;
- f. Monthly execution monitoring and procedures; and
- g. Date and method of testing of internal controls.

6. This certification memorandum addressing Fiscal Year 2014 is due Friday, December 19, 2014. My staff is available to assist you if you have any questions.

7. The Army point of contact is Mr. Michael Anglemeyer, who can be reached at (703) 614-7069, email: michael.f.anglemeyer.civ@mail.mil.



Laura N. Jankovich
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(Financial Operations)

CF:
Commander, U.S. Army Financial Management Command
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