



DEPARTMENT OF THE NAVY
ASSISTANT SECRETARY OF THE NAVY
FINANCIAL MANAGEMENT & COMPTROLLER
DEPARTMENT OF THE NAVY CHIEF INFORMATION OFFICER
1000 NAVY PENTAGON
WASHINGTON DC 20350-1000

JUN 26 2014

JOINT MEMORANDUM

From: Assistant Secretary of the Navy (Financial Management & Comptroller)
Department of the Navy Chief Information Officer

Subj: INFORMATION TECHNOLOGY CONTROLS SELF-ASSESSMENT OF FINANCIALLY
RELEVANT INFORMATION SYSTEMS

Ref: (a) ASN (FM&C) and DON CIO Financial Information System Working Group
(FISWG) Charter of 29 Jan 14
(b) ASN (RD&A), ASN (FM&C), DUSN/DCMO, and DON CIO Joint Memo
of 17 Sep 12
(c) ASN (FM&C) and DON CIO Joint Memo of 7 Nov 13

Encl: (1) List of Systems Designated for IT Controls Self-Assessment

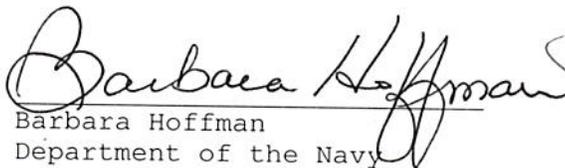
1. The purpose of this memorandum is to respond to the Secretary of the Navy's direction that the Department's Schedule of Budgetary Activity (SBA) must be audit ready in Fiscal Year (FY) 2014, with full audit readiness achieved by 2017. The Assistant Secretary of the Navy (Financial Management & Comptroller) (ASN (FM&C)) and the Department of the Navy Chief Information Officer (DON CIO) established the Financial Information System Working Group (FISWG) in reference (a) as a decision-making body to define the DON financial systems target environment and prescribe corrective measures for audit-related enterprise deficiencies. Reference (b) directed that financially significant information technology (IT) systems employ National Institute of Standards (NIST) Special Publication 800-53 controls and Federal Information System Control Audit Manual (FISCAM) methodology supplemented by DON Office of Financial Operations (FMO) guidance. Reference (c) provides prioritized controls for implementation.

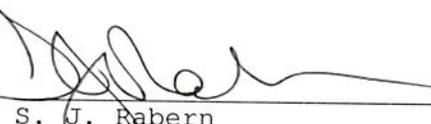
2. IT systems identified by FMO as significant to a financial statement audit will undergo third party FISCAM assessments. The remaining financially relevant systems will undergo the IT Controls Self-Assessment Process approved by the FISWG with ASN (FM&C) and DON CIO concurrence. The process is guided by six workbooks that program managers of the systems listed in enclosure (1) will complete in a phased approach to be determined by FMO.

3. Pilot studies of the self-assessment program are currently underway. Beginning in the Third Quarter of FY 2014 and after completion of these studies, FMO will contact system owners to schedule self-assessments. Responsible commands who are unable to meet the FMO-approved schedule should immediately notify their command Financial Improvement and Audit Readiness (FIAR) lead as well as FMO-2.

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4. Questions or comments regarding this memorandum may be directed to
Mr. Danny Chae, OASN (FM&C) FMO, Accounting and Finance Systems Division,
(FMO-1), at Danny.Chae@navy.mil or (202) 685-6729.


Barbara Hoffman
Department of the Navy
Chief Information Officer (Acting)


S. J. Rabern
Assistant Secretary of the Navy
(Financial Management and Comptroller)

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