Part 1 - General

Parent topic: Appendix - BB MANAGEMENT CONTROL EVALUATION CHECKLISTS

BB–100 Function.

The function covered by these management control evaluation checklists is contracting.

BB–101 Purpose.

This AFARS appendix establishes key internal controls for management of contracting functions and the method for evaluating the effectiveness of these controls. Key internal controls are those controls that must be implemented and sustained in daily operations to ensure organizational effectiveness and compliance with legal requirements. The use of internal controls is an integral component of an organization’s management that provides reasonable assurance for the effectiveness and efficiency of operations, reliability of financial reporting, and compliance with laws and regulations.

The purpose of this checklist is to assist Army contracting managers at all levels in evaluating the effectiveness of key internal controls for contracting functions performed throughout the Army contracting enterprise worldwide.

BB–102 Instructions.

The evaluation of key internal controls should result in a specific determination of their effectiveness. Contracting managers shall use the checklist questions in appendix BB to test key controls of contracting functions through a combination of document analysis, direct observation, and random sampling. The annual statement of assurance and supporting documents shall include a corrective action plan for deficient answers to checklist questions. The contracting checklist in this appendix is not all-inclusive and each contracting activity should supplement the checklist with area-specific questions (e.g., major systems, etc.). Formal evaluations of key management controls must be conducted at least once every five years (Army Regulation 11-2).

BB–103 Additional Instructions for Contingency Contracting Functions Outside the Contiguous United States.

Questions in this checklist should be used by office chiefs/directors who are deployed into a theater of operations and are supporting contingency missions. The term “contingency contracting” means contracting support provided in response to a declared contingency operation in accordance with 10 USC 101(a)(13) (see also FAR subpart 2.1, Definitions). The support may be provided in a mature or immature operational environment, and may be long term or short term. Office chiefs/directors shall use these questions to test internal controls for contingency contracting functions. Each office chief/director shall complete and submit to his/her respective senior contracting official (SCO) at the

midpoint during the office chief/director's tour. The SCO will provide feedback to the office chief/director relating to the effectiveness of key internal controls. Prior to redeployment, the office chief/director shall complete and submit a final checklist to the SCO. The final checklist will be retained in the continuity book to serve as a baseline for the next office chief/director. In addition, information obtained using the checklist will be addressed in the SCO's annual statement of assurance as prescribed by Army Regulation 11-2.