MARINE CORPS ORDER 7540.2E

From: Commandant of the Marine Corps
To: Distribution List
Subj: RESOURCE EVALUATION AND ANALYSIS (REA) FUNCTION

Ref: (a) MCO 5200.24C
     (b) Section 101 of Title 31, United States Code, "Chief Financial Officers' Act of 1990"
     (c) Section 1 of Public Law 97-255, "Federal Managers Financial Integrity Act of 1982"
     (d) Section 1517 of Title 31, United States Code, "Antideficiency Act"
     (e) MCO 7510.3E
     (f) MCO 7510.2E
     (g) SECNAVINST 7510.7E
     (h) MCO P7300.21
     (i) Section 552 of Title 5, United States Code, "Freedom of Information Act"

1. Situation. To update and clarify the REA Program within the Marine Corps.

2. Cancellation. MCO 7540.2D.

3. Mission. The REA function assists commanders and comptrollers in ensuring effective and accurate control and use of funds and resources provided for mission accomplishment.

4. Execution
   a. Commander's Intent and Concept of Operations
      (1) Commander's Intent

         (a) REA provides commanders a valuable resource management tool to effectively and efficiently ensure adequate controls are in place for collecting, processing, recording and reporting accurate financial data needed to manage resources. This function is required at all non-Fleet Marine Force (FMF) commands that have a comptroller, Marine Forces Atlantic (MARFORLANT), Marine Forces Pacific (MARFORPAC), Marine Forces Reserve (MARFORRES), and may be employed, where practicable, elsewhere in the FMF.

         (b) Commanders and comptrollers have the responsibility to ensure that effective management controls are established, reviewed, working, and adhered to in accordance with reference (a). Effective management control will ensure, among other benefits, that accurate financial and accounting data are recorded in the accounting system. This will allow the Marine Corps to comply with reference (b) requirements to develop clean auditable financial statements.

         (c) The REA function should be staffed at an adequate level to allow commanders and comptrollers to perform their resource management oversight responsibilities under reference (b) through (d). The

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qualifications and technical expertise of REA personnel will normally be in financial management. Audit experience, or knowledge of audit procedures, is helpful but not mandatory. Appropriate job series classification for civilians include 501, 510, 340, 343, 345, or other series supporting analysis and evaluation duties, especially in the financial areas. Military personnel will normally be from the financial management military occupational specialities.

(d) This Order applies to MARFORLANT; MARFORPAC; MARFORRES; MOBCOM, and Marine Corps bases and stations and other non-FMF activities that have comptroller organizations.

(2) Concept of Operations. To carry out this policy, effective immediately:

(a) Commanders/comptrollers are required to establish and maintain an REA function as part of the permanent comptroller organizational structure. REA is an essential element to effective resource management and sound internal controls.

(b) The Director, Fiscal Division, Programs and Resources Department, Headquarters Marine Corps (Code RFR) will provide policy, procedures and technical assistance for the REA Program within the Marine Corps.

(c) The policies and requirements for REA in units beneath the MARFOR level are the responsibility of the respective MARFOR commanders.

(d) The REA organization will function as:

1. Management Controls Program (MCP) Coordinator. A core REA function is the training and oversight of the command’s Management Control Program (reference (a)). The MCP encompasses the responsibility of assessing and ensuring that adequate controls exist, are working, are adhered to, and are reviewed annually to ensure that impediments to clean audit opinions are minimized.

2. Internal Evaluations and Analyses. The REA function performs for the local commander/comptroller reviews, evaluations, assessments, and analysis, which are usually (but not necessarily) resource-related (i.e., involving economy, efficiency, effective utilization or potential waste and abuse of Marine Corps funds, material and manpower). This function includes responding to inquiries and requests from higher Headquarters on potential problems areas identified through the MCP and performance measures.

3. External Audit Focal Point. As described in references (e) through (i), this function includes audit liaison and coordination, audit responses, and audit followup (tracking and on-site verification) for all audits external to the command.

4. Optional Functions. REA may also include such other related functions as fund administrator inspections and training; review and analysis of nonappropriated fund matters; process reviews; economy/efficiency-related studies; and local hotlines.
5. **Administration and Logistics.** Except in the cases of reviews requested by a senior command, reports or other documents produced by the REA function will normally be provided only to the command. However, these documents are subject to reference (i) guidelines and procedures as other documents produced by the command.

6. **Command and Signal.**
   
   a. This Order is effective on the date signed.

   b. This order is applicable to the Marine Corps Reserves at Headquarters, Marine Forces Reserve level only.

   

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