Accountability helps build strong internal controls

A strong system of internal control is critical to achieve agency goals. To build a strong internal control system you need everyone within an agency to carry out individual assigned responsibilities. This means engagement of the oversight body, the management, and agency personnel. The oversight body must oversee the strategic direction of the agency and obligations related to agency accountability. Management is directly responsible for all activities of the agency, including the design, implementation, and operational effectiveness of the internal control system. Agency personnel help management design, implement, and operate the internal control system and must report issues noted in the operations, reporting, and compliance goals of the agency.

Management must also educate agency personnel and ensure agency culture prioritizes internal control in every agency position. It is the role of management to inform personnel of specific control activities they must perform, including how and when to perform the activities. Monitoring is key management and oversight body responsibility to ensure agency accountability. Management must hold each employee accountable for the performance of internal control responsibilities and take corrective action when employees fail to meet their internal control responsibilities. At the next level, oversight bodies must oversee management’s design, implementation, and operation of the agency internal control system.

Clear written policy and procedure documents are excellent tools for management to detail specific internal control activities to perform, why those activities are necessary, and how and when to execute those activities. To remain relevant, reliable, and effective, policy and procedure documents must be up-to-date.

Position descriptions are an effective way to communicate internal control expectations and responsibilities to staff. Position descriptions, at a minimum, should include the key control activities for each job position. Key control activities are those critical to the success of the agency mission and goals.

Regular discussion with agency personnel about the importance of internal controls combined with management and oversight body actions to ensure accountability is a great recipe for a strong internal control system. Annual employee performance evaluations provide an opportunity for these important conversations. Ongoing and comprehensive communication increases awareness of internal control responsibilities and can minimize the risk of fraud, waste, and abuse in your agency.

**Suggested action steps**
- Update policy and procedures for business processes to document key control activities.
- Update position descriptions to outline key internal control activities and responsibilities for each agency position.
- Use performance evaluations to discuss and assess personnel in performance of internal control responsibilities.

**Questions?**
Contact Jacob Rossow, Internal Control Specialist.