The Importance of Communication of Information

A new season of Annual Internal Control System Certification is here which means agencies will evaluate their systems of internal control and certify compliance to the Internal Control and Accountability (ICA) Unit.

Certification season is the perfect time to discuss the importance of the fourth component of the state’s system of internal control: information and communication. In the spirit of communication excellence, we took time to make the state control environment and risk assessment policies and procedures easier to understand. We hope these updates, combined with improved tools and resources, help improve the communication of information related to risk assessment within agencies.

The information and communication component is critical because it touches every component of internal controls. A strong internal control system requires management use and communicate quality information.

Quality information comes from reliable internal and external sources based on management’s identification of information requirements. Reliable internal and external sources provide data in a timely manner that is reasonably free from error and bias. Additionally, quality information is appropriate, current, complete, accurate, and accessible. When information and communication are high quality, management can make informed decisions and evaluate the agency performance toward achieving its goals and addressing its risks.

To work effectively, information must be communicated down and across reporting lines. This ensures agency staff can perform key roles to achieve agency goals, address risks, and support the internal control system. In addition, management must also receive quality information from or about the agency operational processes that flow up the reporting lines from agency staff. This information also helps management achieve agency goals.

The standards on information and communication are directly applicable as each agency assesses its control environment and completes the Control Environment Self-Assessment Tool (CESAT). The conversations and sharing of information are arguably the most valuable parts of the self-assessment process. For agencies starting the first phase of the updated agency risk assessment procedure, information and communication will also be key to a successful execution. While the agency risk assessment procedure provides the framework and the resources, the communication and sharing of information within the agency leads to increased knowledge and shared understanding. With this foundation, an agency is well prepared to achieve its goals and its overall mission.

Suggested action steps

The Internal Control and Accountability Unit’s external source for quality information is executive branch agencies. Here are some ways you can improve information and communication around internal controls:

- Attend Internal Control Roundtable meetings to share information and learn best practices.
- Contact the ICA unit by phone, email, or in-person to provide feedback and consult internal control topics.
- Encourage your staff to participate in conversations related to your CESAT and risk reviews.

Questions?

If you have questions, please contact Jake Rossow, Internal Control Specialist.