

TOPIC	INTERNAL CONTROL	SUB-SECTION 30.50.00
SECTION	ASSESSMENT	ISSUANCE DATE NOVEMBER 26, 2013
SUB-SECTION		REVISED - 2018

**OVERVIEW**

All agencies are required to perform and document a comprehensive assessment of internal control and control activities on an annual basis. The results of this assessment, findings, conclusions, and corrective action plans, are reported in an annual certification to DFA. Of course, agencies may conduct assessments at any time. Agencies may consider an interim assessment when there has been significant turnover in the management team, a reorganization, implementation of a new program, or budget reductions. In doing so, agencies may be able to take corrective action immediately to resolve any findings. An agency must ensure that it gathers sufficient evidence to complete assessments.

The assessments provide a starting point in the evaluation of the control environment, agency-level, process-level, and transaction-level control activities, information and communication, and monitoring. These assessments can be accessed at: <http://www.dfa.ms.gov/dfa-offices/fiscal-management/internal-control/> on DFA-OFM website. Agency heads and internal control officers are cautioned that these checklists are not designed to be all-inclusive and that these tools cannot replace thorough analysis and informed professional judgment. Agency personnel should customize these tools or develop alternate tools to fit the agency's particular situation. The agency should also review its internal control plan and ensure that sufficient questions are included in the assessments to cover requirements documented in the plan.

The assessments contain questions related to the specific internal control and prompt survey respondents to determine if controls are implemented and operating effectively. Each assessment question should be answered according to the following guide:

- Yes = Control is utilized by the agency.
- No = Control is NOT utilized by the agency.
- N/A = Control does not exist or cannot exist due to agency circumstances

Agencies should consider documenting in the comment section of the assessment tool the policy, procedure or activity that supports the answer indicated. The agency should also consider indicating any applicable performance measure used to reach a conclusion. A specific document or internal website may also be referenced to support a response. If the particular control indicated on the assessment tool does not exist but the agency has a mitigating control or determines that there is not an associated risk, this should be indicated in the comment section. These steps enable the agency to use the assessment tool as documentation to support its internal control plan and risk assessment.

Agencies should consider the need to tailor or expand the assessment tool when applicable. Examples of sections that may be considered based on the size and mission of an agency are: accounts receivable, federal grants, construction, and include Fuelman transactions with the assessment of procurement cards. Other areas that may create a risk to the agency and should be identified and added to the assessment tool based on the size and type of operations of an agency may include: interfacing systems, eligibility determination of recipients, service delivery to recipients, regulation/certification of private entities or individuals, agency bank accounts and state and federal reporting.

The Internal Control Assessment tool located on DFA-OFM's website is in PDF form, and the assessment questions are not modifiable. If an agency wants a copy of a modifiable assessment tool, they should email DFA-OFM at: [Ofm.bfm@dfa.ms.gov](mailto:Ofm.bfm@dfa.ms.gov). Agencies are required to develop a written internal control plan. Agencies are also required to maintain adequate written documentation for activities conducted in connection with risk assessments, internal control reviews, and follow-up actions. This documentation is to be available for review by agency management, the Office of State Auditor and DFA.