

Internal Controls Assessment

Internal controls are essential to the effective operation of the agency. Internal controls are developed to help management achieve their objectives in a cost-effective manner. Cost-effectiveness is an important component of the determination of the types of controls and mitigating controls to be put in place.

The agency completes an annual assessment of the internal controls by completing the internal controls assessment document in the Local Government Management Guide published April 2003. This document is completed by management and reviewed on an annual basis. The agency reviews the objectives, and the risks involved in achieving those objectives and the means of controlling those risks enhances management's ability to achieve key objectives at minimum cost. Communicating the agency's objectives and values provides clear guidance to employees on expected outcomes. Effective communication also provides managers with access to the information that they need to achieve the goals established by the agency.

As with many small organizations, it is difficult to maintain maximum internal controls with a limited staff. The agency identified various internal control weaknesses during the assessment process; however, the agency has developed certain mitigating controls in an effort to minimize those weaknesses. Based on the excessive costs to implement maximum internal controls, the agency has accepted those additional procedures put in place to mitigate any identified weaknesses.