



















**Merit Protection Commission  
Operational Audit**

5. Management should evaluate performance and hold individuals accountable for their internal control responsibilities.	✓	Yes
<b>Risk Assessment Component</b> – Dynamic process of identifying, analyzing, and managing risks facing the entity.		
6. Management should define objectives clearly to enable the identification of risks and define risk tolerances.	✓	Yes
7. Management should identify, analyze, and respond to risks related to achieving the defined objectives.	✓	Yes
8. Management should consider the potential for fraud when identifying, analyzing, and responding to risks.	✓	Yes
9. Management should identify, analyze, and respond to significant changes that could impact the internal control system.	✓	Yes
<b>Control Activities Component</b> – Actions management establishes through policies and procedures to protect against risks.		
10. Management should design control activities to achieve objectives and respond to risks.		
11. Management should design the entity’s information system and related control activities to achieve objectives & respond to risks.		
12. Management should implement control activities through policies.		
<b>Information and Communication Component</b> – Quality information communicated and used to support the internal control system.		
13. Management should use quality information to achieve the entity’s objectives.	✓	Yes
14. Management should internally communicate the necessary quality information to achieve the entity’s objectives.	✓	Yes
15. Management should externally communicate the necessary quality information to achieve the entity’s objectives.	✓	Yes
<b>Monitoring Component</b> – Activities to assess the quality of performance and promptly correct any deficiencies.		
16. Management should establish and operate monitoring activities to monitor the internal control system and evaluate the results.	✓	Yes
17. Management should remediate identified internal control deficiencies on a timely basis.	✓	Yes

The GAO also stresses that documentation is a necessary part of an effective internal control system. The level and nature of documentation vary based on the size of the entity and the complexity of the operational processes the entity performs. Documentation is required to demonstrate the design, implementation, and operating effectiveness of an entity’s internal control system.

Additional details are available in the GAO Standards for Internal Control or “Green Book,” accessible online at <https://www.gao.gov/products/GAO-14-704G>.

O·K·L·A·H·O·M·A  
S·A·I  
STATE AUDITOR & INSPECTOR



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