



Greece - OECD Programme:
Provision of Technical Assistance to Fight
Corruption

Evaluation Programme Basic Control Networks



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The Greek government gives priority to the fight against corruption and bribery and, with the assistance of the European institutions, is committed to take immediate action. Under the auspices of the General Secretariat for the Fight against Corruption (SGAD), the National Strategic Plan against Corruption (NSPC) identifies the key areas in need of reform and provides a detailed action plan to strengthen integrity and fight corruption and bribery. The OECD, in cooperation with Greece and the European Commission, has developed a series of supporting actions for the implementation of the National Anti-Corruption Strategic Plan. This work is scheduled to be completed in 2018 and is co-funded by the European Commission and Greece. For more information, please visit the [project website](#).



ΓΕΝΙΚΗ ΓΡΑΜΜΑΤΕΙΑ ΓΙΑ ΤΗΝ
ΚΑΤΑΠΟΛΕΜΗΣΗ ΤΗΣ ΔΙΑΦΘΟΡΑΣ

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SUMMARY

Introduction

This Audit Manual provides the Internal Audit Units of the Ministries with a practical tool to assess the key controls put in place by the management of each Ministry. It also provides guidance to ministry management on how to use this tool to conduct self-assessments of the individual elements of the internal control system.

Background

The General Secretariat for Anti-Corruption of the Ministry of Justice, Transparency and Human Rights, the European Commission's Structural Reform Support Service (SRSS) and the Organisation for Economic Cooperation and Development (OECD) are the main stakeholders of the Greece-OECD Anti-Corruption Technical Assistance Programme. This manual concerns the first axis, which focuses on strengthening the internal control system and internal audit with the aim of increasing accountability and good governance.

The public administration in Greece is in the process of modernising its control framework. In the context of this model, it becomes particularly important to implement a modern approach to the internal audit function. The modern internal control system holds every public body accountable for its actions. Consequently, every public body must establish and manage its own internal control system, given that every public body must manage its financial affairs with a view to providing quality services and products to society as a whole. Therefore, public bodies are required to establish an effective financial control function within an integrated internal control system.

Modern internal controls are integrated into the administrative and operational processes of an organisation as a system of controls

and balance applied at all levels. In the context of a modern internal control system, these responsibilities are assigned to all staff and not only to the managers of the financial and operational units.

However, the success of an internal control system is influenced both by the attitude of political officials, managers and employees, and by the establishment of adequate assurance mechanisms. To this end, the establishment of a strong, independent internal audit function within each ministry of the Greek government is crucial to support a decentralised system of internal control and oversight.

Overview of the manual for the evaluation of key control mechanisms

This manual provides detailed guidance on how to conduct an assessment of key internal control networks, as well as detailed worksheets (Appendix 1) with specific assessment-check criteria to help internal auditors assess the status of the internal control mechanisms and networks established at the ministry level. In addition, it provides an overview of some key concepts needed to understand internal control networks and how they differ from the internal audit function.

I. Introduction

1.1 Purpose

While Management Control Frameworks may differ depending on the particular activity of the public sector, i.e. in terms of the operational content and the objectives pursued, there are nevertheless some fundamental, common public governance practices. This paper outlines the key control frameworks that should be in place in each ministry and consolidates them into a comprehensive management control framework.

The aim is to set common expectations, in terms of control mechanisms and performance issues, across all ministries of the Greek public administration. To this end, this manual provides internal auditors with an analytical method as well as detailed audit criteria for assessing the adequacy and effectiveness of these key controls set by the administration. In addition, auditors are encouraged to develop additional control criteria for specific areas to be included in the scope of this audit activity.

In addition to improving the knowledge of internal auditors, this manual is also a valuable tool for improving the knowledge of political and service leadership, providing them with good public governance practices and methods that will improve the level of performance in programme management, policy development and service delivery.

1.2 Background

The General Secretariat for Anti-Corruption of the Ministry of Justice, Transparency and Human Rights, the European Commission's Structural Reform Support Service (SRSS) and the Organisation for Economic Cooperation and Development (OECD) are the main stakeholders of the Greece-OECD Anti-Corruption Technical Assistance Programme. This manual concerns the first axis, which focuses on strengthening the internal control system and internal audit with the aim of increasing accountability and good governance.

The public administration in Greece is in the process of modernising its control framework. In the context of this model, it becomes particularly important to implement a modern approach to the internal audit function. The modern internal control system holds every public organisation accountable for its actions. Consequently, every public body must establish and manage its own internal control system, given that every public body must manage its financial affairs with a view to providing quality services and products to society as a whole. Therefore, public bodies are required to establish an effective financial control function within an integrated internal control system.

Modern internal controls are embedded in the administrative and operational processes of an organisation as a system of checks and balances applied at all levels. In a modern internal control system, the relevant responsibilities are assigned to all staff and not only to the managers of the financial and operational units.

However, the success of an internal control system is influenced both by the attitude of political officials, managers and employees, and by the establishment of adequate assurance mechanisms. The following features of an internal control framework management system are important to achieve the following: (1) decisive leadership responsible for designing, implementing, supervising, maintaining, and documenting the internal control system; (2) a well-designed internal control system tailored to the organization's objectives; (3) dedicated personnel performing their duties in accordance with predetermined policies, procedures, regulations, and ethical standards; (4) effective risk identification and systems monitoring mechanisms; and (5) internal audit and independent internal auditors as components of a

II. What are internal controls and why are they important?

The internal control system is a process, for which the management and staff of the organisation are responsible, aimed at addressing risks and providing reasonable assurance that in pursuing the mission of the organisation, the following general objectives are achieved:

- Operations are carried out methodically, ethically, economically, efficiently and effectively
- All accountability obligations are met
- The obligations to comply with the applicable laws and regulations are respected
- Resources are adequately protected against loss, damage and misuse.

Management control procedures:
"Any action that is taken by management to enhance the likelihood of achieving the stated goals and objectives".

source: Institute of Internal Auditors

In Greek, the same term is often used, i.e. "internal control" for both the concept of "internal control" and the concept of "internal audit". However, the concepts of 'internal control' (hereinafter referred to as 'internal control')

'internal control system') and 'internal audit' (hereinafter referred to as 'internal audit') are not synonymous. The internal control system, as mentioned above, is an ongoing function of management, whereas an internal audit is a formal, independent check on how well management and staff are performing their duties in relation to the requirements of the internal control system. Internal audit units examine the quality of implementation of the internal control system activities within an organisation.

The term 'internal control system' is essentially synonymous with the term 'management control framework', where the primary responsibility is assumed by the management of the ministry, while at the same time requiring the involvement of all officials. It is an important part of the management of an organisation and should be flexible enough to allow the ministry to tailor individual control activities to its own needs. Therefore, the assessment of internal control networks

requires a review of the specific mechanisms and systems for risk management, as well as the overall management environment for the operation and administration of the Ministry.

Controls are part of a sound management function. They allow heads of units and officials to identify problems in a policy programme or in the delivery of services, providing a preventive mechanism to avoid cases of inefficiency or misuse of resources. They can also help to correct problems by identifying areas for improvement.

There are different types of control nets. They may be of a preventive nature, aiming to prevent a risk from occurring, such as the existence of an oversight committee that reviews contracts for the supply of goods and services at a central level before they are signed. Others are of a detective nature as they seek to determine whether a risk has occurred, such as, for example, a process of automated review of all transactions above a certain expenditure threshold. Finally, others are of a guidance nature as they attempt to avoid risks by providing for specific modes of administrative action, such as standard operating procedures. Others are corrective in nature, such as customer satisfaction questionnaires which seek to identify areas for improvement.

Graph 1. Categories of internal control mechanisms



Table 1 below presents an overview of how management can use internal control frameworks to achieve the organisational objectives of the organisation in an efficient and effective manner.

Table 1. Role of the checks and balances put in place by management

The administration's safeguards allow	The safeguards of the administration protect
<ul style="list-style-type: none"> • Good public administration • Operational predictability • Durability • Good cost-benefit ratio • Good governance • Collective and individual leadership • Trust on behalf of the society and employees 	<ul style="list-style-type: none"> • From unwanted surprises • From the existence of costly gaps and overlaps • By attracting unpleasant attention from the media

According to the Organization of Supreme Audit Institutions (INTOSAI), it is not "an event or circumstance but a series of actions that permeates the activities of an organisation. These actions run through all the functions of the organisation on an ongoing basis".

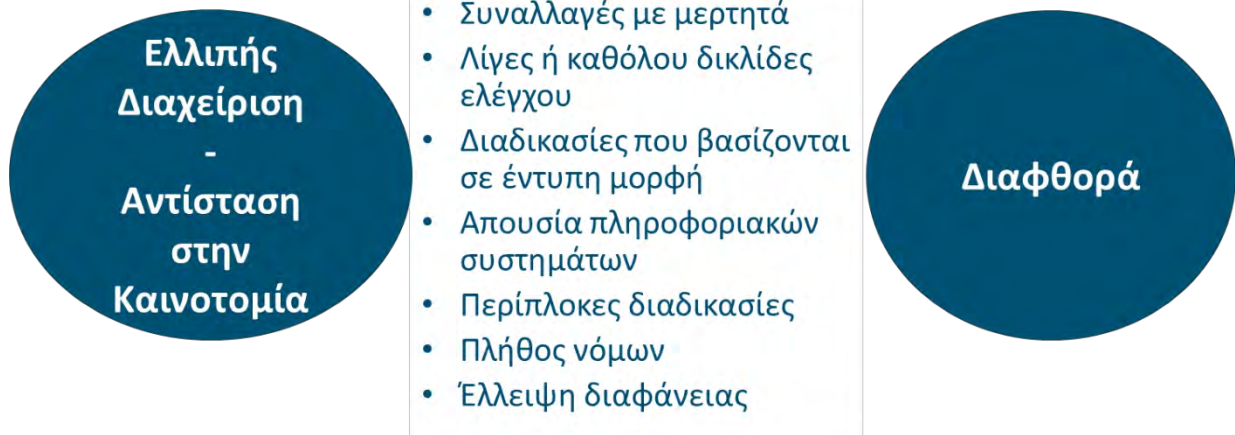
As shown in Graph 2 below, there is a direct correlation between low quality public governance and corruption. organisational policies and By other In other words, η lack of procedures, which include controls, can cause problems such as: (1) unethical, irrational, inefficient and αναποτελεσματικές λειτουργίες, (2) αδύναμοι accountability mechanisms, (3) offending behaviour and (4) lack of safeguard measures against waste, misuse, abuse, mismanagement, errors, fraud and irregularities

The management safeguards ensure:

- Compliance with legislation, policies, procedures, etc.
- Achieving goals
- Reliability and integrity of information and reporting
- Effectiveness and efficiency of operations
- Good cost-benefit ratio
- Safeguarding taxpayers' money as well as the assets and reputation of the organisation

Graph 2. Link between quality of governance and corruption

Οι ελλιπείς πρακτικές διαχείρισης μπορεί να προάγουν τη διαφθορά...

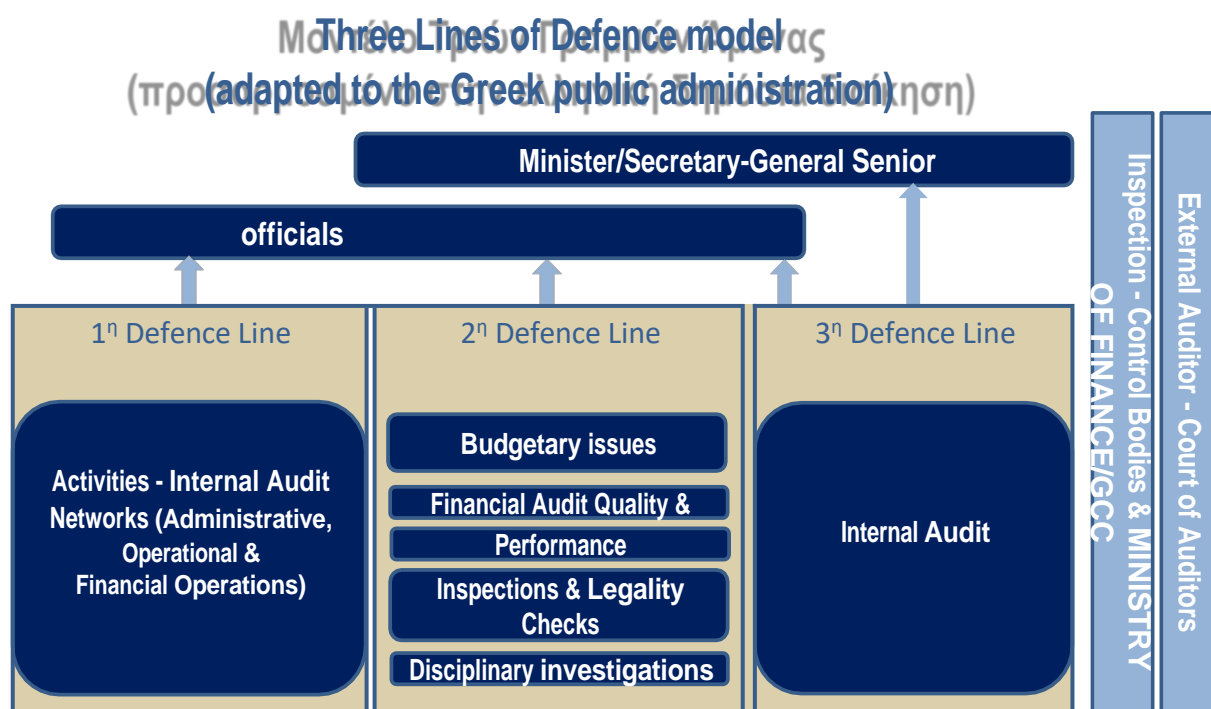


Προσαρμοσμένο από το γραφείο Έλληνα Συνηγόρου του Πολίτη

III. Who is responsible for the internal control mechanisms?

Figure 3 below presents the three lines of defence model that in recent years has been increasingly applied in public organisations and is a useful tool for explaining and highlighting the different roles and their interaction within the public governance system.

Graph 3. Three Lines of Defence model



Source: adapted from ECIIA/FERMA (2010), *Guidance on the 8th EU Company Law Directive, article 41*, FERMA, and IIA Position Paper, *The Three Lines of Defense in effective Risk Management and Control*, January 2013.

First line of defense: The executives who are responsible for day-to-day operational functions and their associated risks and are responsible for the following:

- Implement corrective actions to address deficiencies in procedures and controls

- Maintaining effective control networks and performing daily control and risk mitigation processes
- Develop and implement policies and procedures to ensure a clear path towards achieving the organisation's objectives.

Second line of defense: Management establishes, at the central level, mechanisms to manage risks that threaten the proper functioning of the organization, to ensure compliance with legality, and to oversee and evaluate the controls for which the first line of defense is responsible. The specific activities of this line of defence vary from organisation to organisation, but typical activities for the second line of defence are:

- An oversight function that provides guidance on policies and monitors work in areas such as financial management, procurement, information technology, security and risk management.
- The monitoring and management of specific risks, such as non-compliance with applicable laws and regulations.
- Assessing the performance and quality of the organisation's governance and operational structures and processes.

The management of the organisation is responsible for planning, guiding and allocating resources so that there is reasonable assurance that the objectives will be achieved. They shall therefore be responsible for the establishment and implementation of such safeguards that will facilitate the achievement of the organisation's mission.

Within this role, the second line of defence functions report directly to senior management.

Third line of defense: Internal auditors provide top management with comprehensive assurance services based on the highest level of independence and objectivity in the organization.

This high level of independence does not exist in the second line of defence. Internal audit provides assurance on the effectiveness of the governance, risk management processes and activities of the internal control system, including how the first and second lines of defence contribute to the effective functioning of the risk management and control mechanisms.

Box 1. Standard 2130: Auditing Standards - Internal Control Networks

The internal audit function should help the organisation to maintain adequate internal controls by assessing their effectiveness and efficiency and promoting their continuous improvement.

2130.A1: The internal audit function shall assess the adequacy and effectiveness of internal control networks in addressing risks to the organization's governance systems, operations, and information systems, with respect to:

- The achievement of the objectives of the organisation.
- On credibility and integrity of financial and operational reporting.
- The effectiveness and efficiency of operations and programmes.
- Safeguarding assets.
- Compliance with laws, regulations, policies and procedures.

2130.C1: Internal **auditors** shall incorporate knowledge of internal control activities gained from consulting services to assess the organization's control processes.

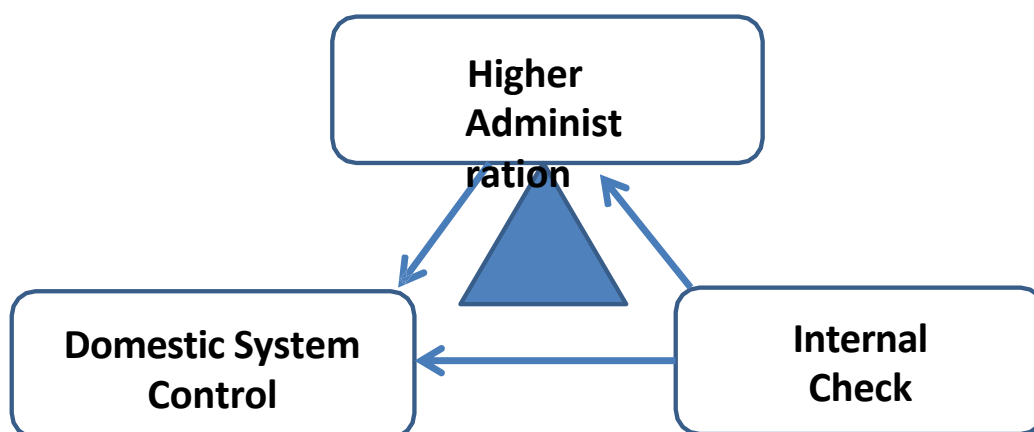
Source: IIA (2016), International Professional Practices Framework, Institute of Internal Auditors.

The terms 'internal control system' and 'internal audit' are closely related and are often used interchangeably. However, there are functional and operational differences between the internal control system and the internal audit function. The internal control system is the set of arrangements and procedures put in place to ensure sound financial management and the provision of quality services, while internal audit is the control of all these mechanisms. Internal control systems are the responsibility of and developed by management, which makes it accountable for the use of resources and other assets. As part of the internal control system, staff in the ministries' financial management units carry out ex ante expenditure controls to ensure that proposed expenditure is regular and complies with laws, policies and regulations. On the other hand, internal audit undertakes a systematic examination of the

procedures for auditing transactions carried out by the financial services in order to identify risks and systemic errors. The feature that most distinguishes internal audit from the internal control system is that internal audit operates independently of management and the activities of the internal control system.

In an integrated internal control system, as shown in Figure 4 below, internal control is separated from the management of the organisation's business functions. It informs top management of the operation of the business processes and the arrangements of the internal control system. Internal audit provides government officials and senior service managers with a powerful tool for understanding the extent to which public agencies are delivering effective services within budgetary targets.

Graph 4. Relationship between internal control and the internal control system



Source: IIA (2016), International Professional Practices Framework, Institute of Internal Auditors.

Box 2. Model policy for an integrated internal control system

The development and implementation of a policy for an internal control system is useful for both managers and employees as it ensures that common management and operational practices exist throughout the organisation. The key elements of such a policy include.

1. The management of public organisations is responsible for creating a working environment and a set of

procedures that provide reasonable assurance that:

- The data and information published is accurate, reliable and timely.
- The actions of officers, directors and employees comply with the mission, policies, standards and procedures of the organization, as well as all relevant laws and regulations.
- The organisation's resources (including human resources, systems and databases/information) are adequately protected.
- Resources are acquired in a cost-effective way and used efficiently. Emphasis is placed on the quality of business processes and continuous improvement.
- The organisation achieves its mission, programmes, goals and objectives.
- Identify and establish policies, operating standards, procedures, and systems that encourage and require officers, managers, and employees to perform their duties and responsibilities in a manner that achieves the five objectives described in the preceding paragraph.
- Identify and assess the risks of loss related to their business scope, including losses due to fraud and corruption.
- Identify and put in place cost-effective measures to minimise and mitigate the risks identified.
- Maintain the effectiveness of the control procedures in place and promote the continuous improvement of these procedures

2. The internal audit function is charged with the responsibility for ensuring that the framework of procedures and mechanisms established by management to control operations throughout the organisation is rationally designed and operates in an effective manner. The internal audit function is also responsible for reporting to management and the audit committee (where applicable) on the adequacy and effectiveness of the organisation's system of internal control, together with ideas, advice and recommendations for improving individual aspects of the system.

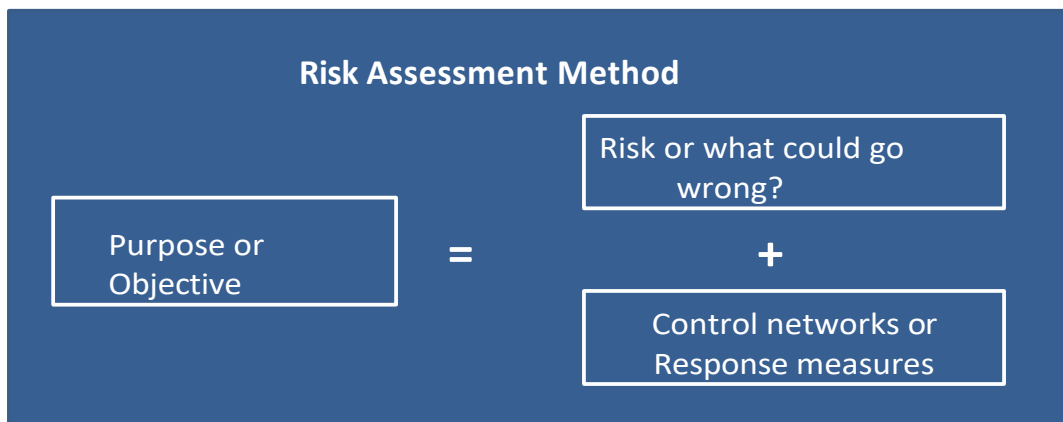
3. It is noted that although not currently applied in Greece, it would be important to consider the establishment of an Audit Committee at the level of a Ministry or group of Ministries. Traditionally, the Audit Committee is responsible for monitoring, supervising and evaluating the tasks and responsibilities of management and the functioning of internal audit, as well as for the proper cooperation with external auditors. The audit committee shall also be responsible for ascertaining that all significant issues reported by the internal audit function, the external auditor and other external advisors have been satisfactorily resolved. Finally, the audit committee shall be responsible for reporting any significant issues relating to the organisation's control procedures.

source: Από L. Hubbard, Control Self-Assessment, A Practical Guide, IIA, 2015.

IV. Types of internal control nets

As mentioned above, internal controls are management's response to mitigate the risk of not achieving organisational objectives. As illustrated in Figure 5 below, the process of developing internal control networks begins with an inventory of the organization's objectives and an assessment of the potential risks that may impede the achievement of those objectives. If the risk is considered significant, we create a control network.

Figure 5. Use of risk assessment to identify internal controls



4.1 Control networks by type of risk

Just as there are different types of risks, there are different types of controls. Figure 6 below shows four types of risk that a policy programme or service may face.

- First of all, there are strategic risks, i.e. risks that may prevent the achievement of the objectives.
- Secondly, there are risks to the effective and efficient operation of the operations, such as the risk of not providing a service to the public.
- Third, there are risks to the reliability of financial and non-financial reporting, which could

limit the ability of management or employees to make decisions and be held accountable for those decisions.

- Finally, there are risks to compliance with applicable laws, such as the risk of unethical behaviour on the part of the organisation or the external providers it uses in the context of its mission.

Some of these risks may relate to the ministry as a whole or threaten a specific programme or organisational unit. To this end, there is a need to establish control mechanisms for the ministry as a whole, such as reporting on the progress of the agency's budget execution, and control mechanisms at the level of the programme or organizational unit, such as establishing operating standards and procedures that are known and transparent to all.

Figure 6. Internal control networks by type of risk

Risk level	Type of risk			
	Strategic (high level purposes, supporting the achievement of the targets)	Operational (effective and efficient use resources)	Submit reporting (reliability of reporting)	Compliance (legality, compliance with texts provisions)
Program or service - transaction level	The service or deliverable was not provided or was of inferior quality	Inadequate operational standards (i.e, lengthy procurement process, problems in the control and supervision of contracts)	Lack of expertise in financial reporting	Non-compliance with standards ethics (e.g. rewards for unfair trading)
At ministry level	Lack of transparency (awarding always to the same supplier)	Lack of employees with the right skills	Project management, e.g.: <ul style="list-style-type: none"> • Surpass cost and/or deadline • Lack of appropriate documentation 	Risk management: <ul style="list-style-type: none"> • Identification of risks • Analysis • Evaluation • Mitigation • Watch

4.2 Informal and formal types of internal control mechanisms

Another way of categorising control mechanisms is according to whether they are formal or informal. In other words, checks and balances that are written down in documents, for example a law or a policy, or are structural, such as an oversight committee, can be considered formal. On the other hand, informal checks and balances are less tangible.

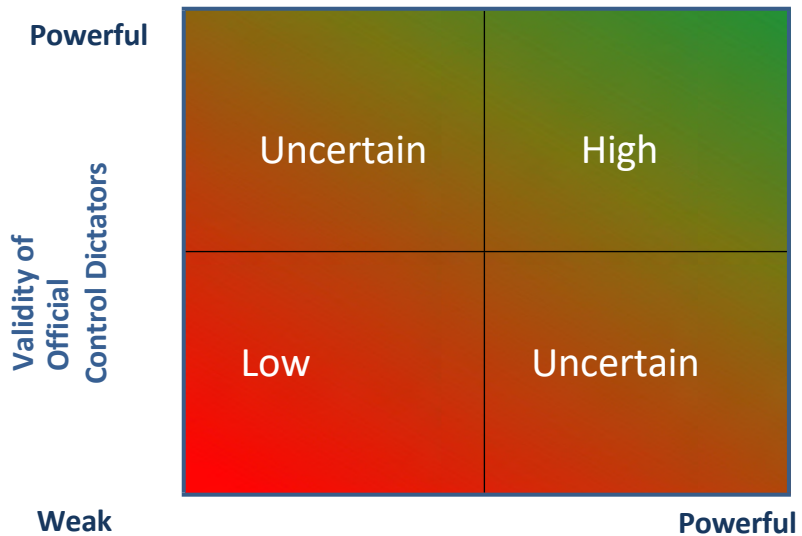
The formal and informal channels Controls are combined in order to achieve a high level of assurance with regard to achieving the objectives.

but equally important. For example, a culture of centralised supervision and guidance, staff skills, training linked to the requirements of a programme or a specific organisational unit, or merit-based recruitment according to the specific job, are examples of informal checks and balances. The better or stronger the control networks, as shown in Figure 7, below, the greater assurance is offered to management as to the effective and efficient achievement of objectives.

Figure 7. Level of assurance

Mechanisms of Official Control Networks

- Policies & Procedures
- Laws & Regulations
- Organisational Structure
- Central Authority
- Supervisory Committees



Power of Unofficial Control Networks

Informal Control Network Mechanisms

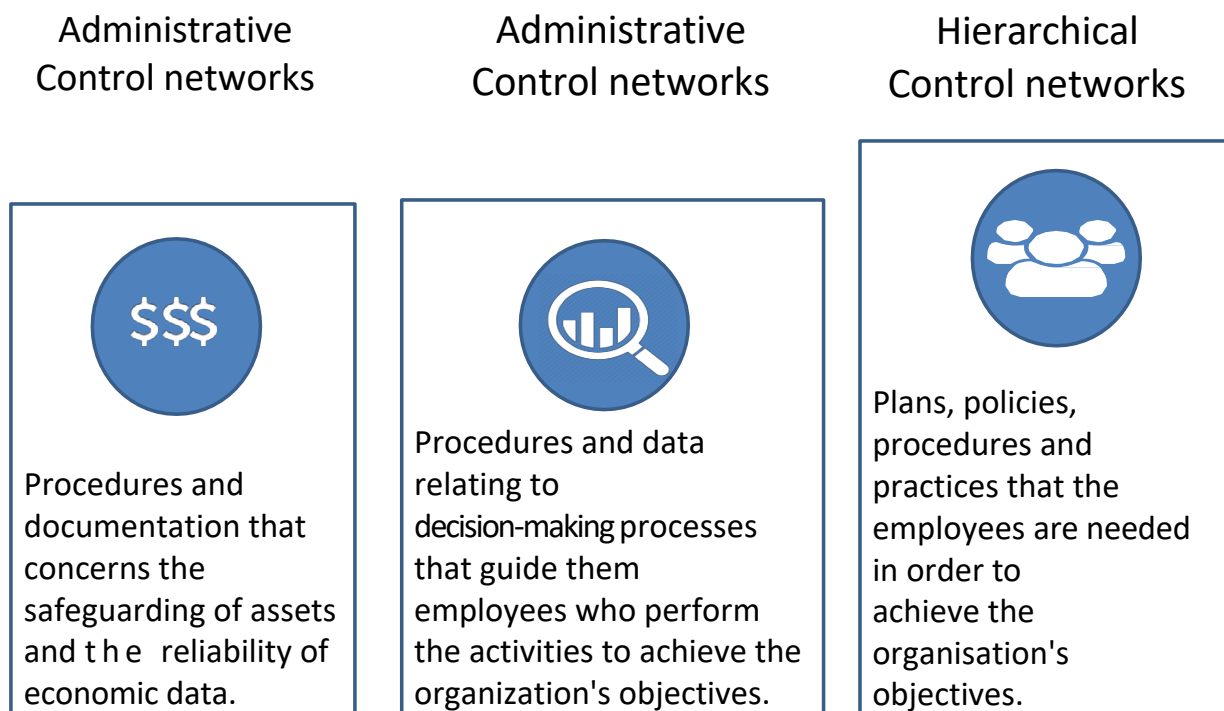
- Strong Leadership - Trust
- Professional Competence - Contact

Source: Public Safety Canada, Government of Canada, 2016.

4.3 Internal control networks by type of operation

As described in Figure 8, below, the modern definition of an internal control system goes beyond the traditional focus on financial control and provides management with the ability to oversee all parameters that affect effective service delivery. Therefore, the modern internal control system is a management tool to ensure that the organization's leadership: (1) operates in accordance with established policies and procedures; (2) delivers services in an efficient and effective manner; (3) protects assets and property from improper use; (4) maintains timely and accurate accounts; and (5) produces financial and nonfinancial information in an accurate manner.

Figure 8. Internal checks by type of operation



source: adapted from *The Committee of Sponsoring Organizations of the Treadway Commission (COSO 2013), Internal Control Self-Assessment Checklist, Guidance on Internal Control - Integrated Framework.*

The internal control system is a set of checks and balances. That is, it is the organizational policies and procedures that ensure reliable record keeping, protection of assets, operational efficiency and adherence to policies and guidelines. Each control network should be evaluated in relation to the others. The objective is to avoid having an excessive number of controls and to ensure that a limited number are used to provide assurance. A useful tool for internal auditors is the mapping of processes in cooperation with the audited organisational units in order to identify first to first identify existing controls and then identify potential gaps.

Ways of developing control networks

1. Identifying the steps to complete a task, i.e. the steps to undertake a task, activity or provide a service. (Mapping the process is very useful)
2. Identification of the controls that should be integrated directly into the process flow - formal controls
3. Identification of the required informal checks and balances not directly related to the delivery process, such as training, recruitment practices or authority limits
4. Identification of risks and defining ways of dealing with these risks (i.e. tolerating the risk or creating a safety net).

Source: L. Hubbard (2015), Control Self-Assessment, A Practical Guide, IIA.

V. Preparation to be audit ready (audit ready)

As is evident from the focus group discussions and personal interviews, many audited organisations in the Greek public administration require significant administrative preparation before they are able to be audited. According to Greek public administration officials, many programs and agencies lack basic systems such as documented policies and procedures that are the subject of an internal audit mission.

Managers in charge of managing organisations across the public sector are responsible for putting in place controls to ensure that their unit does not deviate from the path of achieving its financial objectives, achieve its mission, minimise surprises and risks and allow the organisation to adapt successfully to change.

The checklist in Table 2, below, shows the key parameters considered necessary for a high-performance program or service. It is these parameters that will be examined and evaluated as part of the internal audit mission. A key part of an internal audit is the provision of consulting services that can facilitate the development of these parameters. A useful tool is to conduct a management-initiated self-assessment of a program or organizational unit's control structures. This tool examines the key characteristics of internal control networks. Heads of ministries and heads of organisational units can use the self-assessment tool to assess the adequacy of the control networks in their area of responsibility.

Table 2. Readiness for Testing: Parameters considered by internal audit

Readiness for inspection	Indicators	Examples of measures
1. Control environment	<ul style="list-style-type: none"> • Integrity and Ethical Values • Commitment to professional competence • Philosophy of management and mode of operation • Organisational structure • Delegation of powers and responsibilities • Policies and management practices of the human resources 	<ul style="list-style-type: none"> • Codes of conduct • Understanding of existing policies and procedures • Guidelines on conflict of interest cases • Job description • Levels of professional competence of officials • Compliance with laws and regulations • Organisational structure and organisation charts • Selection of staff • Staff appraisal & training • Strategic planning • Budget system
2. Risk assessment	<ul style="list-style-type: none"> • Organisational purposes and Targets • Recording and risk prioritisation • Change management 	<ul style="list-style-type: none"> • Identification and examination of external risk factors • Prioritisation of risks • Risk monitoring process • Management of change
3. Control activities	<ul style="list-style-type: none"> • Registered Policies and Procedures • Control procedures • Control networks for the systems computerisation 	<ul style="list-style-type: none"> • Access to government policies and procedures • Policies and procedures of organisational units • Senior management reviews • Performance indicators • Accounting statements and audits • Information processing and physical checks
4. Information and Communication	<ul style="list-style-type: none"> • Access to Information • Communication Standards 	<ul style="list-style-type: none"> • Information backups • Access to information • Application control networks • Information management security • Reporting systems for the exercise of administration • Trust, enforcement, external communication
5. Monitoring	<ul style="list-style-type: none"> • Management supervision • External sources • Response mechanisms • Self-evaluation mechanisms 	<ul style="list-style-type: none"> • Management oversight of accounting function, systems and budget analysis • Monitoring and reviewing the effectiveness of key control activities

source: Since COSO (2013), *Internal Control Self-Assessment Checklist, Guidance on Internal Control - Integrated Framework, The Committee of Sponsoring Organizations of the Treadway Commission.*

VI. How to carry out an assessment of the key controls

This section provides in-depth guidance and in particular: checklists and worksheets to help ministries' internal audit units to carry out missions to assess key controls. It is intended to support internal auditors in assisting decision-makers to adopt good management practices and identify areas requiring improvement.

The ministries' internal audit units should assess the key controls set by management in the high-risk areas of their ministries' operations. To do this, they can use the Key Controls Assessment Worksheet (Appendix 1 of this manual) in this manual. They should also consider using additional evaluation criteria developed specifically for the area they are auditing.

Figure 9, below, shows the three stages and eleven steps involved in a baseline audit. Each of these stages and steps is discussed in detail in the following sections of this manual.

Figure 9. Stages and steps of taking control of key controls

A. Design (IIA 2200)	B. Application (IIA 2300)	Г. Results (IIA 2400)
Preliminary assessment	On-the-spot check	Submission of a report
1. Control notice	6. Assessment of the design and adequacy of safeguards Control	8. Completion of sheets work on the control of the key controls
2. Identification of scope and objectives	• Interviews with members of senior management and experts	9. Preparation of an audit report
3. Identification of checks and balances	• Consultation meeting with officials	10. Consultation of the draft report with the auditee agency
4. Mapping of the checks and balances in the framework established by the administration	• Collection and examination of evidence	11. Submission of a final audit report for approval
5. Identification of risks associated with each control network	7. Evaluation of the the effectiveness of the control mechanisms	

6.1 Stage 1: Design

The first stage involves planning and programming the control. An initial information meeting or interviews with officials of the audited organisation can be a useful way to start the audit. It is important to establish transparent communication about the audit process and its potential results. The interviews or meeting should enhance the constructive exchange of information between the participants as to the audit design, further increasing the acceptance of the process by all stakeholders within the organisation. During this meeting, participants can learn about the role of audit and how it can help them to improve management practices and service delivery.

Box 3. Detailed steps when designing a baseline audit

1. Control notice
 - Sending a formal letter to the management of the audited organisation informing them that a key controls audit has been carried out.
2. Identification of scope and objectives
 - Discussion with the senior management of the Ministry, in order to identify the functions, operational procedures to be included in the audit. Given the scope of the functions involved, the audit should focus on the areas of highest risk.
3. Identification of the checks and balances put in place by management
 - Through interviews with the management of the audited organisation and key stakeholders, an initial review of the existing control mechanisms put in place by management should be carried out. This should include a review of all supporting documentation that the auditee can provide.
4. Mapping of control mechanisms to the management system
 - Using the worksheet provided in Appendix 1 of this manual, the auditor should decide which internal safeguards to focus on when conducting his/her assessment.

5. Identification of risks associated with each control network

- Through interviews and document review, the auditor should investigate the nature and significance of the risks associated with each existing control network.

6.2 Stage 2: Application

During the self-assessment, the auditor should work with the staff of the ministry's organisational units in terms of recording the control mechanisms. The review is an opportunity for a broad set of stakeholders to understand the importance of the controls and the results from the data collection. During this stage, it is recommended that a workshop be held to review all of the auditee's controls organisation.

The workshop should start with an overview of the organisation's objectives and key processes in order to identify the existing controls and possible gaps. Participants should address each question using the worksheets in Appendix A.

These workshops will form the basis of the report.

If the answers to the questions are positive, you should requested confirmatory evidence. For example, if there is an oversight committee, the confirmatory evidence would be the framework for the functioning of that committee. The worksheets provide examples of expected corroborating evidence. Follow prepared to conduct separate face-to-face address any outstanding issues regarding

The role of the internal auditor in the assessment of control mechanisms

While internal audit is not responsible for the design and implementation of the controls,

however, it has a specific role and mandate in relation to the control framework set by management.

In particular, it is responsible for an independent assessment of the adequacy and effectiveness of the control framework established by management to achieve specific objectives, and an opinion on whether there is

reasonable assurance that the controls allow the objectives to be achieved. In particular, internal audit is responsible for:

reasonable assurance that the controls allow the objectives to be achieved. In particular, internal audit is responsible for:

- To check the adequacy of the checks and balances and to assess whether the checks and balances (individually and as a system) are designed appropriately and with in a manner consistent with the risk assumed and the objectives pursued.
- Test the effectiveness of the safeguards and assess whether the safeguards (individually and as a system) are performing as expected.

source: Standard 2130, IPPF-IA.

Box 4. Detailed steps when implementing a baseline audit**1. Assessment of the design and adequacy of the control mechanisms**

Using the worksheets in Annex 1, the internal auditors shall assess the design and effectiveness of control networks:

- Interviews with members of senior management
- Workshop with officials
- Collection and examination of evidence

2. Evaluation of the effectiveness of control mechanisms

In order to assess the effectiveness of the controls, it is important for internal auditors to collect evidence (i.e. documentation) by asking stakeholders for information on the status of the controls. This evidence gathering should also include the examination of records and documents.

6.3 Stage 3: Results

The results of the evaluation should be communicated clearly and transparently. Senior management should emphasise the prioritisation of measures to be taken to strengthen the weak points of the internal control system and to identify areas where management systems or processes are not working. Broad staff involvement is important to establish accountability in order to improve controls and management systems.

The completed worksheet for the assessment of key safeguards (Annex 1) provides ranking criteria and identifies where evidence collection is required.

Box 5. Detailed steps when submitting the report on the assessment of the key controls**1. Completion of worksheets for the key controls (see Annex 1)**

Based on the interviews and the review of records and documents, the internal auditor should ensure that all the key controls audit worksheets included in Annex 1 have been completed.

2. Preparation of an audit report

The internal auditor should prepare the audit report using the audit report template (see table 7 below). It is important that the report is short and concise. It should also include a list of recommendations for improving the status of existing controls and for the adoption of missing key controls.

3. Consultation of the draft report with the auditee

This is an important step. The internal auditor should ensure that he/she receives feedback from the auditee regarding the draft report. The auditee should be invited to review the report with regard to the accuracy of its data and should be able to provide any additional evidence to ensure the accuracy of the report. That said, if the auditee does not agree with the findings of the report, but the internal auditor's judgment supports them, then the auditee's response to the report may be included in the report.

4. Submission of a final audit report for approval

The final report must be submitted to the reporting body of the internal audit function and to the Minister. It should also be communicated to the Secretary General for Anti-Corruption (SGAD).

The result of the baseline audit is a visualisation of the relative strengths and weaknesses of the control environment. The assessment does not identify the reasons why there are weak or inadequate controls, but may highlight areas for further investigation. In conjunction with the completed worksheet (see Annex 1), a written report of the evaluation can be useful in providing a summary of the whole process and key findings. Table 7, below, provides a template for preparing such a report.

Box 6. Model key controls audit report

- **Purpose:** To help management identify the current state of control networks and suggest opportunities to strengthen management and service delivery practices.
- **Background:** Details of the context in which the evaluation takes place, the key changes and initiatives for

the establishment of internal control mechanisms, the scope and extent of the evaluation and a description of the organisational units examined.

- **Objectives:** To present the rationale for self-assessment and the intended use of the findings.
- **Methodology:** Description of the operational scope of the evaluation team, the justification for the selection of the specific indicators and the sampling methodology for data collection.
- **Description of operational features:** The program or service being tested and the security features used. The controls should be mapped to the control framework established by management.
- **Findings/Findings:**
 - **Strengths:** Summary of areas where the checks and balances are adequate and how this assessment is carried out. It is important to identify evidence of documentation.
 - **Weaknesses:** Details of the areas where the checks and balances are inadequate or weak and how this assessment will be carried out. Again, it is important to identify evidence of documentation.
 - **Recommendations:** The audit should also include a targeted list of recommendations addressing those controls that are missing, found to be poorly designed or not as effective as they should be.

VII. Criteria for the evaluation of key control mechanisms

The criteria for testing the key controls are provided by the control framework established by the management of an organisation. The framework used for this example of a baseline audit consists of four broad categories. Collectively, these activities work together as a system to provide assurance as to the effective management of risks and the achievement of the organization's objectives. Appendix 1 of this manual provides detailed control criteria, as well as examples to help internal auditors score these criteria.

Table 3. Control framework by the management of the organisation

Reference framework	General expectations	Types of control nets
Where are we going?	A well-managed operation has clearly defined objectives, supported by action plans and business objectives, and effective planning processes.	<ul style="list-style-type: none"> • Objectives • Organisational structure • Authority, competence and accountability • Decision-making and governance bodies • Planning and resource allocation practices
How do we get there?	A well-controlled operation has a strong "environment control", i.e. informal checks and balances such as an effective leadership paradigm ('tone at the top') and commitment to ethical values.	<ul style="list-style-type: none"> • Administrative commitment and leadership by example • Code of conduct and expectations/standards conduct • Disclosure mechanisms
Are we capable of doing it?	A well-managed operation has the necessary knowledge, tools and skills to achieve its objectives. The training, information sharing and communication is adequate and there are appropriate policies and procedures in place to support the people in the conduct of their work.	<ul style="list-style-type: none"> • Training, development and skills • Management practices human resources • Financial management • Ministry security and emergency preparedness Need
How can we be better?	A well-managed operation monitors its performance (both at the organisational level and at the executives) and can be improved on an ongoing basis. The results of the monitoring of the	<ul style="list-style-type: none"> • Employee performance management • Program performance management • Risk management

Reference framework	General expectations	Types of control nets
	performance are introduced into the design processes in order to ensure that the organisation is able to promote the continuous improvement.	<ul style="list-style-type: none"><li data-bbox="1026 360 1402 454">• Integrated information for decision-making

source: adapted from Public Safety Canada.

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Appendix A.

Worksheets for the assessment of the key control mechanisms

Evaluation criteria shall be provided for each type of control network that makes up the functional control framework established by management. These checks and balances describe the expectations for good and effective public governance. The worksheets also include a ranking for each type of control, as well as examples that can be used to assist the work of auditors.

It is important to note that not all types of controls will be needed for every organisation, nor will they be tested in every audit. Controls should be designed, implemented and tested on the basis of a risk analysis. Moreover, every organisation is different. Therefore, additional organisation-specific controls could be included. For example, in the Health sector, control safeguards for patient safety should be included and in the Transport sector, issues such as infrastructure maintenance may need to be considered. Controls should be identified with the joint cooperation of the internal auditor and the staff of the programme or service being audited.

Planning and direction: where are we going?

Area of management control	Control criteria	Answers				Grading design and safety net effectiveness			
		No started	Originally stages implementation	Partial application	Full	There is proof that...			
						The checks and balances are good designed?		Are the checks and balances working effectively?	
Yes	No	Yes	No						
Objectives	Specific objectives and priorities exist for all key aspects of the programme/operation and are clearly identified.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
		Examples of scoring							
		Strategic and operational objectives and priorities are communicated to employees and citizens. Examples of ways to notify include: <ul style="list-style-type: none"> • website • business plans • internal policies and guidelines • legislation or government initiatives 	<ul style="list-style-type: none"> • The objectives and priorities are formally described • The documented objectives are consistent and aligning it with the framework of the legislation and/or the Policy 	The objectives shall be clearly defined in order to provide tangible direction.					
Organisational structure	The organisational structure is defined and communicated.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
		Examples of scoring							
		<ul style="list-style-type: none"> • Organisational structure 	The scope of the checks and balances is reasonable given the complexity of the operation and the variety/spectrum	<ul style="list-style-type: none"> • Is there a current organisation chart? • Do all key parties have access to it and understand 					

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				it?
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Area of management control	Control criteria	Answers				Grading design and safety net effectiveness			
		No started	Originally stages implementation	Partial application	Full	There is proof that...			
						The checks and balances are good designed?		Are the checks and balances working effectively?	
						Yes	No	Yes	No
Authority, competence and accountability	A) The authority is formally delegated and is consistent with the responsibilities of the individuals. B) There are effective and efficient mechanisms for holding individuals accountable for their designated responsibilities.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
		Examples of scoring							
		<ul style="list-style-type: none"> • Send programs • Committee reporting framework • Delegation of financial power • Description of tasks • Operational performance agreements 				<ul style="list-style-type: none"> • Individuals have the power to perform the responsibilities for which they are responsible; • Are there clear expectations in terms of performance? 		<ul style="list-style-type: none"> • The award specific tasks are formally delegated to designated individuals (e.g. through a delegation framework or equivalent mechanism)? • Do all the key people understand those involved the powers and responsibilities of the individuals; 	
Decision-making bodies and managing	A) Are the appropriate procedures and structures in place for the exercise of decision-making power? B) There is a well-defined and	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
		Examples of scoring							

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<p>bodies</p>	<p>the governance regime in place that allows for the sharing of information, the coordination, communication of direction and supervision;</p>	<ul style="list-style-type: none"> • Committee reporting framework • Information to be studied and scrutinised by the committees • Communication, dialogue and detailed scrutiny by the committees 	<ul style="list-style-type: none"> • The composition of the institutions includes all key stakeholders 	<ul style="list-style-type: none"> • There is an existing reference framework for both decision-makers and
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Area of management control	Control criteria	Answers				Grading design and design safety net effectiveness			
		No started	Originally stages implementation	Partial application	Full	There is proof that...			
						The checks and balances are good designed?		Are the checks and balances working effectively?	
Yes	No	Yes	No						
		<ul style="list-style-type: none"> Records of decisions and minutes 	<ul style="list-style-type: none"> parts for the specific issue; The supervisory bodies shall have formal responsibility for constructive and meaningful questioning and scrutiny of plans and decisions, as well as their underlying assumptions; 	<ul style="list-style-type: none"> supervisory bodies; The frame of reference indicates that the information must be provided to the committees, the their frequency and for what reasons? The institutions receive adequate, comprehensive, timely and accurate information to support their decisions and oversight; Minutes or records of decisions are kept to provide documentation of decisions taken or actions required; 					

Area of management control	Control criteria	Answers				Grading design and design safety net effectiveness			
		No started	Originally stages implementation	Partial application	Full	There is proof that...			
						The checks and balances are good designed?		Are the checks and balances working effectively?	
Yes	No	Yes	No						
Design and allocation of resources	<p>A) The organisation has a well-defined and effective hierarchical and planning process that establishes strategies and/or operational priorities and expected outcomes in line with the issues, risks and opportunities arising, and in line with the Department's mandate and the Government's priorities.</p> <p>B) The human, financial and investment planning is carried out in a systematic manner, in line with broader priorities and risks.</p>								
		Examples of scoring							
		<ul style="list-style-type: none"> There is an annual operational plan that includes areas such as action plans, investment plans, procurement plans, human resources plans, etc.; 	<ul style="list-style-type: none"> Are there operational objectives and plans for each key activity? They are essentially linked to the strategies Ministry guidelines; The design process include a formal process for reviewing, checking and challenging assumptions and related allocation decisions resources; 	<ul style="list-style-type: none"> Is this a standardised procedure? The timing and function of resource planning is aligned with the functional design, in order to ensure that operational priorities are appropriately prioritised; The Directives shall be adopted formally by senior management prior to their notification? 					

Commitment: how do we get there?

						Grading design and design effectiveness of the control network			
Area of management control	Control criteria	Answers				There is proof that...			
		No started	Originally stages	Partial application	Full	The checks and balances are good designed?		Are the checks and balances working effectively?	
						Yes	No	Yes	No
Administrative commitment and leadership by example	A) Management (at all levels) periodically reinforces the importance of integrity and of ethical values through communication to all staff. B) There is a climate of mutual trust between management and staff.								
		Examples of scoring							
		<ul style="list-style-type: none"> • The internal communication from the management and the various supporters/ambassadors around values and ethics (written and spoken) • Conflict of interest policies • The conflict of interest checks be incorporated in the core funding decisions or other decisions 				<ul style="list-style-type: none"> • Values and ethical imperatives are disclosed officially and unofficially? • The values and moral messages are integrated into business processes (e.g. staffing, management performance, contracting, etc.); 		<ul style="list-style-type: none"> • The deviations from the accepted behaviour are dealt with by senior management and it is clear that they are dealt with ; • Do employees have a clear and reasonable understanding of the messages sent by top and middle management? • Do they trust the messages? 	
Code ethics and	A) The administration shall establish, communicate and implement								

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	codes of conduct and other policies that			
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Area of management control	Control criteria	Answers				Grading design and design effectiveness of the control network			
		No started	Originally stages implementation	Partial application	Full	There is proof that...			
						The checks and balances are good designed?		Are the checks and balances working effectively?	
		Yes	No	Yes	No	Yes	No		
expectations/standards of behaviour	describe expected standards of ethical behaviour, acceptable business practices and conflicts of interest. B) Disciplinary consequences associated with misconduct are communicated by consistent and clear and understood by staff and management.	Examples of scoring							
		<ul style="list-style-type: none"> Ministry values Code of conduct for ministry and public service Performance management process, including rewards and sanctions Internal policies, procedures and guidelines regarding ethical values and conflict of interest Training 	<ul style="list-style-type: none"> Is there a formal code of conduct/values in ministries? It is comprehensive (i.e., it covers the full range of potential risks/shocks to ethical values in the context of ministry activities); Do employees formally and periodically recognize the compliance with ethical values, code of conduct or equivalent its policies organization; 	<ul style="list-style-type: none"> Employees have the common sense to understand what actions are appropriate and which are not? Employees understand what actions to take when they encounter cases of inappropriate behavior; 					
Disclosure mechanisms	A) Is there a reliable and independent notification function for reporting potential wrongdoing that is widely known to staff and management?	○	○	○	○	○	○	○	○
		Examples of scoring							
		<ul style="list-style-type: none"> Formal, documented and known reference channels (e.g. the highest an official responsible for the 	<ul style="list-style-type: none"> The ministry has established a position 	<ul style="list-style-type: none"> The employees know the 					

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			senior executive	channels
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Area of management control	Control criteria	Answers				Grading design and effectiveness of the control network			
		No started	Originally stages implementation	Partial application	Full	There is proof that...			
						The checks and balances are good designed?		Are the checks and balances working effectively?	
Yes	No	Yes	No						
		disclosures)	<ul style="list-style-type: none"> There are protections to prevent retaliation for those who report misconduct 	<p>the person responsible for the notifications /reports;</p> <ul style="list-style-type: none"> The ministry has established and communicated multiple reporting channels (including some anonymous) to allow staff to report possible inappropriate attitudes; The following are permitted an anonymous report? 	<p>notification;</p> <ul style="list-style-type: none"> Do employees trust these channels? That is, can comfortably raise their concerns about possible inappropriate behaviours to their superiors and/or use the anonymous notification mechanism 				










Ability: Are we capable of doing it?

Area of management control	Control criteria	How good are the checks and balances?							
		Answers				There is proof that...			
		No started	Originally stages implementation	Partial application	Full	The checks and balances are good designed? Yes No		Are the checks and balances working effectively? Yes No	
Training, development and skills	A) The organisation shall provide employees with the appropriate training and supporting knowledge and guidance to enable them to perform effectively the their responsibilities. (B) The agency shall establish training and development plans to support staff development and job succession.								
		Examples of scoring							
		<ul style="list-style-type: none"> • Skills profile • Individual training plans • Defined operational requirements in terms of the knowledge required (e.g. on ethical values, human resources, budgeting, etc.) • Operational training (i.e., in relation to the skills needed to perform the job) • Talent management • Succession planning for jobs • Standard operating procedures 				<ul style="list-style-type: none"> • Are individual or group skills defined? Do they agree with the mission of the organization? • The department's human resource planning mechanisms identify current and future requirements (i.e, is there a recruitment 		<ul style="list-style-type: none"> • Are human resource plans developed and updated? • Are there individual training plans? • Are they being implemented? • Individuals have the necessary knowledge for effective execution of all their responsibilities; • Employees shall have access to adequate tools, such as training, software, equipment, 	









			strategy); • There are individual plans	methodologies work in order to is
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Area of management control	Control criteria	Answers				How good are the checks and balances?	
		No started	Originally stages implementation	Partial application	Full	There is proof that...	
						The checks and balances are good designed? Yes No	Are the checks and balances working effectively? Yes No
						training of officials; They include: <ul style="list-style-type: none"> • identification of requirements in relation to the skills/capabilities; • Analysis gaps/needs; • actions and priorities that help in dealing with of the current roles and responsibilities; • Is the extent of training and support provided commensurate with the complexity of the post? 	effective in their duties? <ul style="list-style-type: none"> • There are integrated standardised operational procedures; Are they communicated and updated?

Area of management control	Control criteria	How good are the checks and balances?							
		Answers				There is proof that...			
		No started	Originally stages implementation	Partial application	Full	The checks and balances are good designed? Yes No		Are the checks and balances working effectively? Yes No	
Human resources practices	<p>A) There are appropriate policies and procedures in place to support the development and management of human resources (HR).</p> <p>B) The organisation recruits human resources in accordance with the required skills and on the basis of merit-based criteria.</p> <p>C) The organisation has a system for evaluating the performance of employees at all levels.</p>								
		Examples of scoring							
		<ul style="list-style-type: none"> • HR policies and guidelines (for all key HR operations) • Tools and checklists for key HR operations (e.g. staffing, performance management, etc.) • Plans for the ID of organisational units (including staffing plans) • Performance management process • Talent management process • Processes and governance for the implementation of rewards and sanctions • Oversight committees (at the level of the ministry and organisational units) 				<ul style="list-style-type: none"> • Recruitment practices aligned with the templates governance and departmental objectives; • Incentives, rewards and disciplinary programmes express the ethical values of the ministry? • Appropriate training is provided to managers to support the ongoing implementation of reward programmes; and sanctions; 		<ul style="list-style-type: none"> • HR policies and procedures are comprehensive, updated and accessible; • Are recruitments and promotions carried out in a transparent and merit-based manner? • Incentives and rewards aimed at supporting appropriate conduct of officials documented, communicated and implemented; • Periodically evaluate the compliance with the policies and 	

Area of management control	Control criteria	How good are the checks and balances?								
		Answers				There is proof that...				
		No started	Originally stages implementation	Partial application	Full	The checks and balances are good designed? Yes No	Are the checks and balances working effectively? Yes No			
						<ul style="list-style-type: none"> Supervision shall be consistent with the powers and proportionate to the risks and the precedent performance; 	HR procedures;			
Financial management	A) Financial policies and powers are established and communicated. B) There is the ability to identify, observe, enforcing and monitoring compliance with financial management policies; C) The responsibility for monitoring the compliance with laws, policies and financial management authorities is clear and adequately disclosed;									
Examples of scoring										
		<ul style="list-style-type: none"> Central policies, guidelines and guidelines for basic financial transactions Tools and checklists for basic financial transactions (e.g. budget templates, procurement plan, forecasting template, etc.) Financial plans Risk-based monitoring tools (e.g. monthly variance reports, project activity reports) Is there financial supervision? 	<ul style="list-style-type: none"> Financial management policies are respected in accordance with the requirements of the GAO; The range of gear is complete and composed? Supervision and monitoring shall be consistent with the powers and 	<ul style="list-style-type: none"> The organisation shall disclose effective policies (e.g. via the internet, e.g. mail or other form of correspondence); Are the policies known and understood by management and employees? The financial management policies are 						










			proportionate to the risks and the	examined magazines
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Area of management control	Control criteria	Answers				How good are the checks and balances?			
		No started	Originally stages implementation	Partial application	Full	There is proof that...			
						The checks and balances are good designed?		Are the checks and balances working effectively?	
Yes	No	Yes	No						
						past performance;		regarding the suitability and compliance with the applicable legislation provisions;	
								<ul style="list-style-type: none"> The financial management responsibilities (including compliance monitoring) shall be documented and communicated officially through job descriptions, job descriptions, organisation charts and the dispatch of individual organic units; 	
Security at level ministry and preparedness to deal with emergency situations	A) Information, assets and services are safeguarded against risks and employees are protected from workplace violence; B) Is security management effectively coordinated within the ministry? C) Are there appropriate mechanisms and plans in place?								
		Examples of scoring							
		<ul style="list-style-type: none"> Security protocols (e.g. passwords, physical security, personnel security, etc.) Supervision and communication activities 	<ul style="list-style-type: none"> Is there a formal security programme? There is a clear 	<ul style="list-style-type: none"> The documentation related to the programme security is 					

Area of management control	Control criteria	How good are the checks and balances?					
		Answers				There is proof that...	
		No started	Originally stages implementation	Partial application	Full	The checks and balances are good designed? Yes No	Are the checks and balances working effectively? Yes No
Need	monitored to ensure that ongoing risk recording and planning to address and manage risks is carried out	<p>of the head of security at the ministry.</p> <ul style="list-style-type: none"> Occupational health and safety protocols and practices (e.g. inspections, supervision through committees, etc.). Operational planning process continuity, including an assessment of the operational impact Undertake exercises to test security measures 				<p>Structure governance with defined responsibilities;</p> <ul style="list-style-type: none"> The security program is aligned with the policies, the priorities and plans of the ministry and the government as a whole? There are mechanisms for monitoring , the assessment and reporting of safety program results; 	<p>complete, updated and properly notified;</p> <ul style="list-style-type: none"> Employees who will have access to government information and assets are security checked before taking up their duties; Is compliance with security policies monitored? The safety and business continuity plans are tested and checked regularly; When they arise important issues regarding the compliance with









Area of management control	Control criteria	Answers				How good are the checks and balances?	
		It did not begin	Initial stages	Partial application	Full application	There is proof that...	
						The checks and balances are good designed? Yes No	Are the checks and balances working effectively? Yes No
							policies, possible misconduct, possible criminal activities, security incidents or violence in the workplace, these are investigated, dealt with and reported to the competent authority;









Monitoring and training: how can we be better?

Area of management control	Control criteria	Answers				How good are the safeguards?				
		No started	Originally stages implementation	Partial application	Full	There is proof that...				
						The safeguards are well-designed?		The safeguards are working effectively;		
Yes	No	Yes	No							
Employee performance management	A) Does the organisation have a system for evaluating employee performance?									
		<ul style="list-style-type: none"> Performance measurement tools and documentation discussions. Organizational committee discussions (e.g. talent management committee, performance management committee, etc.) 				<ul style="list-style-type: none"> They are defined tangible/measurable performance expectations for all employees; Mechanisms are in place to ensure that performance evaluations are objective, constructive and balanced? There are mechanisms for measuring the achievement results, and the manner in which they are the following are achieved Results; 		<ul style="list-style-type: none"> Are performance evaluations/assessments carried out annually? They shall be carried out on a periodic, timely and consistent basis in the whole organization? 		

Area of management control	Control criteria	Answers				How good are the safeguards?			
		No started	Originally stages implementation	Partial application	Full	There is proof that...			
						The safeguards are well-designed?		The safeguards are working effectively;	
		Yes	No	Yes	No	Yes	No		
Measurement of performance	A) The overall performance of the programme or operation shall be measured against predefined objectives and results B) Performance information is checked for quality and relevance.								
		Examples of scoring							
		<ul style="list-style-type: none"> Logical models and strategies for measuring performance depending on the programme or policy in question Ministry-level performance management framework Operational guidance on performance measurement Data collection and measurement approaches (e.g., assessments, surveys, statistical analysis, etc.) Preparation and monitoring of performance reports 	<ul style="list-style-type: none"> The objectives and expected results of the programmes are aligned with the overarching objectives; Performance measures are balanced and integrated (e.g. financial and non-financial), short-term and 	<ul style="list-style-type: none"> Is the performance of the programmes measured? Are the measurement mechanisms sound? Are the performance results of the programmes communicated? The performance results of the programmes are used as evidence 					

				or data entered into the procedures
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Area of management control	Control criteria	Answers				How good are the safeguards?				
		No started	Originally stages implementation	Partial application	Full	There is proof that...				
						The safeguards are well-designed?		The safeguards are working effectively;		
						Yes	No	Yes	No	
						long-term, qualitative and quantitative);		planning and decision-making;		
Risk management	A) The risks to which the objectives of the programme are exposed are identified, assessed, managed, communicated and monitored officially.									
Examples of scoring										
		<ul style="list-style-type: none"> • Risk identification procedures and support tools (e.g. environmental analyses, active participation stakeholders, surveys, etc.) • Risk assessment procedures and supporting tools/checklists (e.g. organisational unit risk profiles, safety management plan and environment, analysis of business processes impact assessment, all-risk assessment, etc.) • Development, testing and continuous monitoring of mitigation strategies • Planning based on risk analysis (see also the above-mentioned safeguards on planning and resource allocation) 				<ul style="list-style-type: none"> • There is a formal, recurring (at regular intervals) procedure for the identification, the assessing and responding to risks; • Each type of risk is analysed, including strategic, operational, financial and ethical risks; • The risk management process includes the appropriate 		<ul style="list-style-type: none"> • The risk management procedures are properly documented and communicated; • Are risk management procedures being implemented as expected? • Risk information is essential and useful for decision-makers (e.g. in setting priorities, in the etc.); • The risk action/response plans are essentially; 		

Area of management control	Control criteria	Answers				How good are the safeguards?			
		No started	Originally stages implementation	Partial application	Full	There is proof that...			
						The safeguards are well-designed?		The safeguards are working effectively;	
Yes	No	Yes	No						
						interested parties who have specific knowledge regarding the objective being evaluated; <ul style="list-style-type: none"> There are suitable links between risk information and other information processes, such as planning and management performance; 	<ul style="list-style-type: none"> The action/response plans to the risk shall be monitored in terms of their implementation and effectiveness; The risk action/response plans are reflected in the operational plans? 		
Integrated information for decision-making	A) Financial and non-financial management information collected in an efficient and effective manner, and analysed and communicated to support timely strategic and operational decision-making and effective oversight.								
		Examples of scoring							
		<ul style="list-style-type: none"> Planning to determine what information should be presented, at what point in time and brought to the attention of which managers. Guidelines and expectations for key decision-making processes, including how different information data should be used to inform decisions (e.g. official criteria for decisions under pressure, formal and consistent 	<ul style="list-style-type: none"> The decision-making processes under evaluation are documented and describe which plots are needed to inform them; The specific procedures for making 	<ul style="list-style-type: none"> Is the required information presented and reviewed in a meaningful and timely manner? Decisions taken shall be monitored in terms of Effective 					

Area of management control	Control criteria	Answers				How good are the safeguards?			
		No started	Originally stages implementation	Partial application	Full	There is proof that...			
						The safeguards are well-designed?		The safeguards are working effectively;	
Yes	No	Yes	No						
		guidance on setting priorities) <ul style="list-style-type: none"> • Documented rationale for funding decisions and other decisions at ministry and individual unit level. • Presentation of risk, performance and financial information in meetings to take key decisions • Documented discussion and control of information. 	decisions are designed to make mandatory and require the consideration of information relating to risk, financials, performance or other matters? <ul style="list-style-type: none"> • Are there appropriate communication channels to communicate the information whenever required? • Clearly establish the roles and responsibilities of decision-makers in the examination and control of related plots; 	them? <ul style="list-style-type: none"> • Corrective action is taken when the development according to the plan is not the expected one? 					

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