



Who is your internal control champion?

- **Every organization would benefit by having an internal control champion.**
- **Internal auditors are logical champions for internal controls.**
- **Internal auditors can be trusted management advisors and consultants in addition to performing assurance and compliance testing.**

Are there people within your organization who promote the implementation of a common language, framework, and understanding of internal control? How about a functional unit that provides advice, facilitates training and informational workshops, and coaches management and staff on risk mitigation and internal control strategies? Does your agency have someone responsible for coordinating, monitoring, and reporting on risks and internal controls? In short, does your agency have an internal control champion?

If “no” is the answer to any or all of these questions, your agency most likely does not have an internal audit function or, if it has such a function, the agency is probably not using its internal audit resource to its fullest potential.

Minnesota law requires every agency head to implement and maintain an effective system of internal control (M.S. Section 16A.057). The state also has a policy that makes internal control the responsibility of every state employee (Statewide Operating Policy 0102-01, *Internal Controls*). However, without someone or some unit assigned primary responsibility for championing the internal control cause, it may be difficult for agency heads or staff to fully comply with the letter and spirit of either of these directives.

A logical internal control champion would be your internal auditor or internal audit department. Today’s internal audit function need not be restricted to performing assurance testing and compliance reviews.

While these fundamental audit responsibilities are important and should be part of internal audit’s role, the position should also include the roles of risk consultant and trusted business advisor to management. Specifically, today’s auditor should function as part devil’s advocate and part process innovator—an independent advisor that challenges current practice and a process innovator who promotes efficient and effective internal controls and acts as a catalyst for process improvement—with the overall objective being to ensure the agency’s strategic mission is accomplished.

Furthermore, under the state’s current business environment, where budgetary pressures require agencies to do more with fewer resources, audit departments need to expand their scope of influence. No longer should audit be asked to focus attention solely on traditional areas of review such as legal compliance and audits of financial areas such as purchasing, accounts payable, and accounts receivable. Rather, audit should be asked to provide value added support to management across all areas of the operation, including IT and human resources.

Suggested Action Steps: If your agency has an internal audit function, contemplate whether or not the organization is fully utilizing their skills and expertise. If your organization does not currently have an internal audit presence, consider the merits of establishing this function.

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