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OUTLINE OF PRESENTATION
NASC MEETING
MARCH 22, 2007

Topic: Internal Controls from the Government Auditor's Perspective

I. Internal controls related to an audit of a state's Comprehensive Annual Financial Report (financial audit performed in accordance with Government Auditing Standards)
   - A. Global perspective based on materiality
   - B. Information technology and system controls
   - C. Legal requirements that also establish controls
   - D. Centralized accounting (Comptroller)

II. Internal controls related to Single Audits of Federal Financial Assistance Programs
   - A. Focus on large federal assistance programs administered by large state agencies
   - B. IT over program activities
   - C. Internal controls that ensure compliance
   - D. Centralized accounting becoming more and more important

III. Internal controls related to other types of reviews and examinations of state agencies, departments, boards, and commissions
   - A. Focus is at departmental level based on management's attitude and ability to establish control policies and procedures
   - B. IT is still important part of internal controls
   - C. Internal controls must exist to ensure compliance with legal requirements
   - D. Centralized accounting is still very important

IV. Examples of audit findings related to internal controls
   - A. CAFR audit findings
   - B. Single Audit findings
   - C. Departments/agencies audit findings