

Office of the County Internal Auditor

# Overview of Internal Control



April 17, 2026

# Agenda

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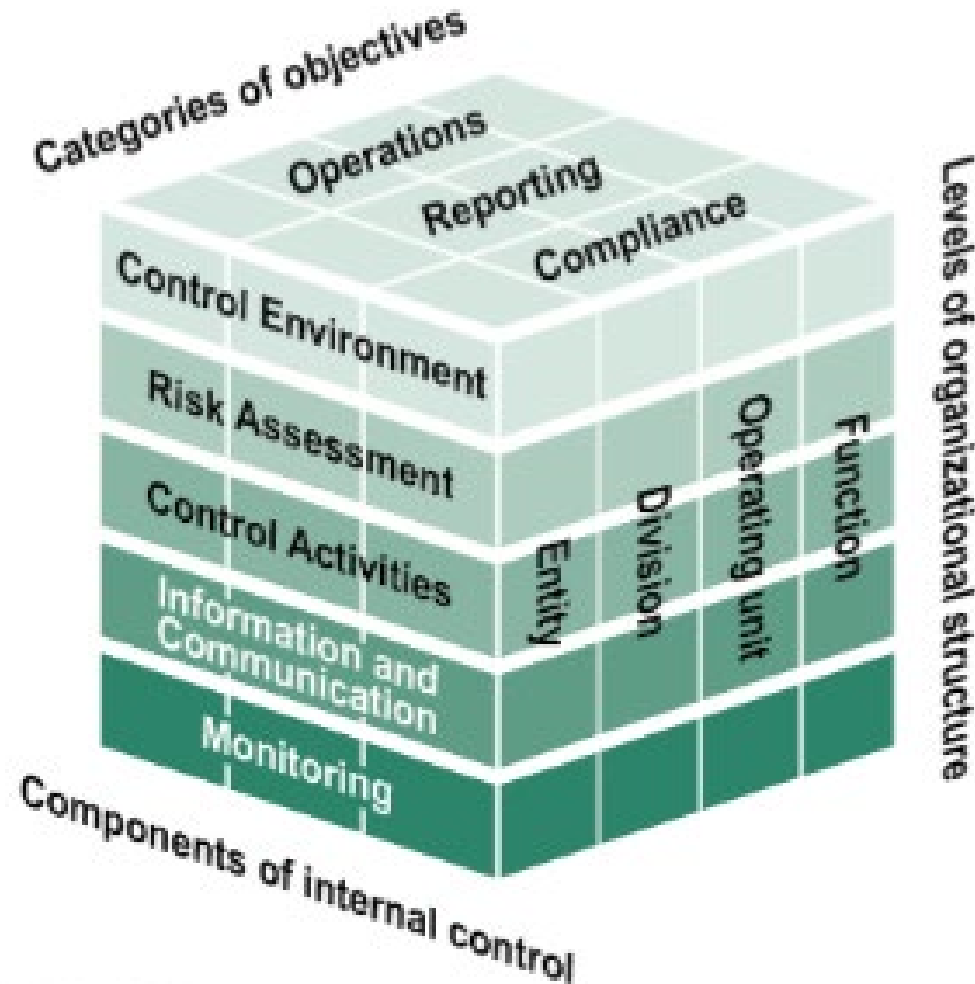
- What is internal control
- How does it apply in County performance audits
- Why it matters



# What is internal control?

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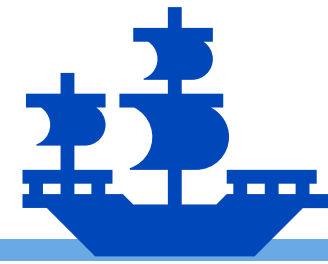
# How We Talk About It



Internal Control is

- Confusing
- Jargony
- Finance Only

# A Relevant Framework



Internal controls help government programs achieve goals, safeguard resources, and operate efficiently.



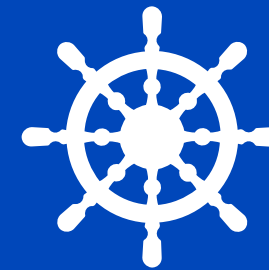
Set  
Direction



Anticipate  
Risk



Mitigate  
Risk



Course  
Correct



Report  
Results

[Link: US GAO Green Book](#)



# Instilling Ethics: Tone at the Top



## Foundational Control

- Demonstrated through directives, attitudes, and behavior
- Commitment to doing what is right, not just the minimum to comply with laws and regulations



**How does it apply?**

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# Set Direction



RESTRICCIONES DE FUEGO HASTA EL OCTUBRE DE 2024



**AVISO:** el condado de Deschutes ha promulgado restricciones de uso público de fuego en todos los terrenos que son propiedad del condado y todas las tierras no protegidas en las áreas no incorporadas del condado hasta el 15 de octubre de 2024.

## Ex: Language Access Audit

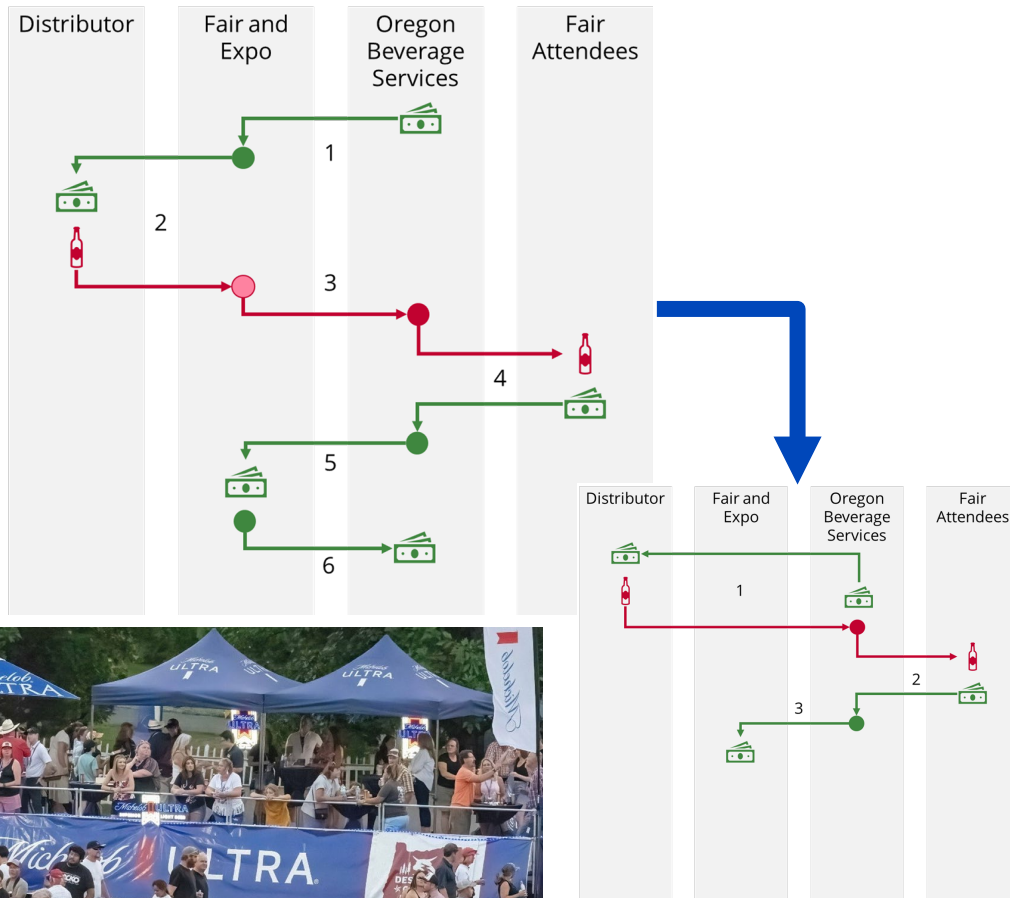
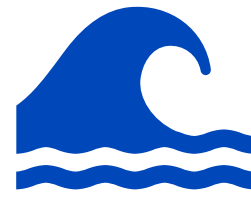
- Didn't know services needed or provided
- Create a language access plan



[Link: Language Access Audit](#)



# Anticipate Risk



- ## Ex: Fair Alcohol Sales Audit
- Unclear contract language and program design = risk exposure
  - Evaluate risks in the current system and consider implementing a program with fewer risks

[Link: Fair Alcohol Sales Audit](#)



# Mitigate Risk



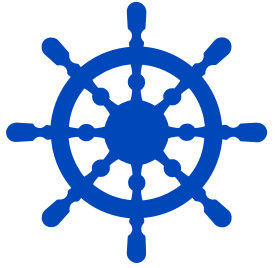
## Ex: Software Audit

- No independent quality review, only one developer for most projects
- Define testing requirements and criteria for all county projects

[Link: Software Audit](#)



# Monitoring and Course Correction



## Ex: Body Camera Audit

- Review required to ensure deputies start, stop, and categorize but 42% not reviewed
- Develop system to document review

[Link: Body Camera Audit](#)



# Report Results



## Ex: Health Benefits Audit

- Reliance on 3<sup>rd</sup> party for timely and accurate claims
- Require reporting from contractor

Financial  
Accuracy

Payment  
Accuracy

Turn  
Around



[Link: Health Benefits Audit](#)



# Why it matters?

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# Internal controls make change manageable and repeatable

- By definition, internal controls are what management controls
- They don't rely on individual effort or institutional knowledge
- They're not just compliance fixes, controls address root causes, so problems don't recur



# Internal controls support continuous improvement

- Neutral way to discuss “near misses” and performance gaps
- Makes expectations explicit and testable, allows meaningful accountability during and after change
- Shifts oversight from “Did you achieve perfection?” to “Did you set clear objectives, assess risks honestly, and implement reasonable controls?”



# Individually, intimidating As a system, a catalyst for success

**Goals**

Unfair  
Expectations

**Risk**

can feel  
like

Exposing  
Vulnerability

**Mitigation**

Red  
Tape

But as a system, controls  
document a credible plan:

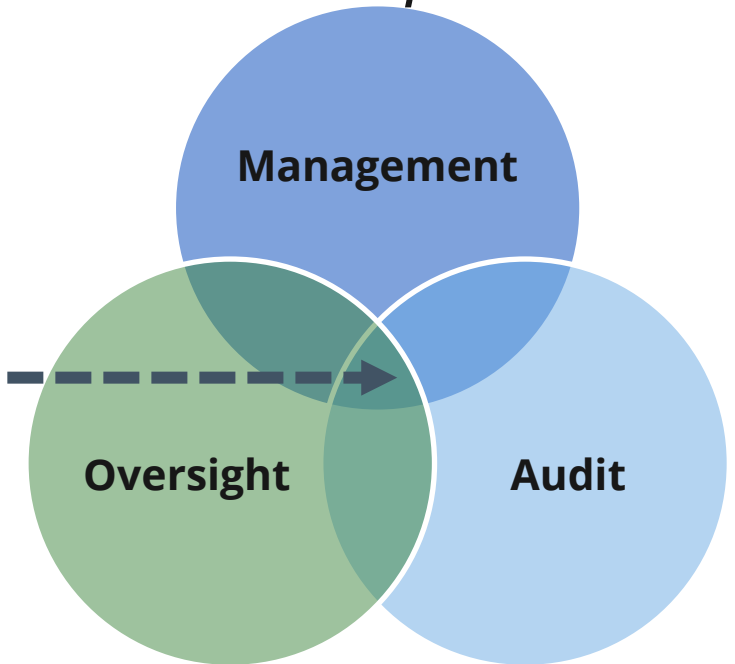
- What to achieve
- What could get in the way
- What to do about it



# Framework helps all parties

- **Management:** clear expectations, continuity, fewer surprises
- **Audit Committee / Board:** consistent oversight, comparable reporting
- **Internal Audit:** objective criteria, faster audits, fewer debates, higher-value recommendations

*Public trust, reliable service,  
resource stewardship*



# Discussion

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## Potential Question Prompts

- Which control is the most important for guaranteeing success, and why?
- What does good 'tone at the top' look like?

