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Sent: Tuesday, February 18, 2014 3:48 PM
To: GreenBook
Cc: Gasparini, Joanne; Dushel, Annette; Kolb, Kristen; Frakes, David; Wohlfort, Mark
Subject: General Accountability Office (GAO) Exposure Draft New Internal Control Standards
Attachments: GAO Exposure Draft New Internal Control Standards

Follow Up Flag: Follow up
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The Social Security Administration has reviewed the above referenced exposure draft of the GAO Green Book, and offers the following comments in response to the questions identified in [Green Book Exposure Draft, Enclosure II: Questions for Commenters](#).

1. Is the hierarchy of components, principles, and attributes clearly explained?

The exposure draft provides a clear understanding of the hierarchy of components, principles and attributes, and also clearly distinguishes between requirements and recommended practices.

2. Are there any internal control concepts unique to the government environment that should be in the Green Book that are not currently included?

No. We believe section 1 of the exposure draft addresses the internal control concepts that apply to the government environment.

3. Does the framework provide the necessary information to allow program managers to evaluate the internal controls for their programs?

Yes, the exposure draft provides a sufficient framework for managers to evaluate their internal control system. We believe the framework is well-written and clearly presents the requirements and attributes a successful system must demonstrate.

4. Does the Green Book provide adequate criteria for auditors?

Yes, the exposure draft clearly states the attributes and characteristics of a successful program that managers may use to develop, and auditors may use to evaluate, an internal control system. In addition, sections 16 & 17, provide managers information on monitoring their system, and reporting and correcting issues to ensure the success of their system.

5. Are the requirements for management to design, implement, and operate an internal control system clear, understandable, and adequate?

Yes, the requirements are clear, understandable, and adequate. However due to the significance of the risk assessment in the design and implementation of a comprehensive internal control system, the narrative for 07.13 should indicate the necessity to periodically perform a risk assessment to ensure the internal control system continues to meet its intended purpose and objectives.

6. Is the evaluation of deficiencies discussion clear, understandable, and adequate?

Yes, the evaluation of deficiencies discussion, in Section 3, is clear and understandable. We believe the narrative provides a clear and general explanation for performing the evaluation that allows managers discretion in conducting assessments and evaluations to determine the effectiveness of their internal control system.

7. Are the roles, divisions, and overlaps of responsibility for the oversight body, management, and personnel clear, understandable, and adequate?

Yes, the framework clearly defines the roles and responsibilities for the oversight body, management, and personnel.

8. Are the documentation requirements included in the Green Book clear, understandable, and adequate?

Yes, the Green Book provides a clear description of the documentation managers are required to develop and maintain.

9. Is there a need for additional internal control implementation guidance? If so, what form should it take?

No, we don't believe there is a need for additional internal control implementation guidance, however GAO may want to consider developing a frequently asked questions (FAQ) document relative to the comments and material covered in the final version of the Green Book.

10. Is this Green Book written in such a way to allow state, local, and quasi-governmental entities, as well as not-for-profit organizations, to adapt it for their own use?

Yes, the exposure draft is written using general language that allows for manager's discretion in adapting the requirements to fit their particular situation.

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