Submission Date

Agency Secretary Name, Title
Agency Name
Agency Street Address
Sacramento, CA Zip Code
Or
Director of Finance Name, Title (if no Agency)

Dear Agency Secretary Name,

In accordance with the State Leadership Accountability Act, the Entity submits this report on the review of our internal control and monitoring systems for the biennial period ending December 31, Odd Year.

Should you have any questions please contact Name, Title, at Phone Number, E-mail Address.

GOVERNANCE

> Note: All content in blue boxes will not be included in your published report. The questions are used to gather data of statewide trends. Additional information about workforce planning is available from the California Department of Human Resources.
>
> - Does your organization have a current strategic plan?
> - Is your strategic plan posted on your public website?
> - When was the most recent update of your strategic plan?
> - Does your organization have a current workforce plan?
> - When was the most recent update of your workforce plan?

Mission and Strategic Plan
Describe the mission and strategic goals
This section of the report must include: (web portal entry limited to 25,000 characters)
- *Entity mission, strategic goals, and objectives*
- *All entities under your reporting responsibility*

Control Environment
Describe how management establishes an effective control environment
This section of the report must include: (web portal entry limited to 25,000 characters)
- Management's establishment and demonstration of integrity and ethical values (core values, codes of conduct, ability to report ethical concerns, etc.)
- Oversight by a board, outside entity, or the top executive
- Organizational structure to ensure appropriate levels of responsibility and authority
- Maintaining documentation of the control system

- Establishing and maintaining a competent workforce
- Enforcement of accountability (include consideration of unreasonable/excessive pressures)

Self-Assessment
Checklist does not appear in your report.

- Management establishes and demonstrates integrity and ethical values
- Oversight is provided by a board, outside entity, or top executive
- The entity ensures appropriate levels of responsibility and authority, and documentation of internal control systems
- Management recruits, develops, and maintains a competent workforce
- Management evaluates performance and enforces accountability

Information and Communication

Describe the structure and types of internal and external communication
This section of the report must include: (web portal entry limited to 25,000 characters)
- *Process to collect and communicate relevant and reliable information needed for operational, programmatic, and financial decision making*
- *Channels for communicating:*
  - *Up, down, and across the entity among staff and management*
  - *Across organizational lines*
  - *With external stakeholders*
- *Process for employees to report inefficiencies and inappropriate actions to management and other decision makers*

Self-Assessment
Checklist does not appear in your report.

- Information requirements are established and met with reliable and relevant sources
- Quality information is communicated to internal parties within the entity
- Quality information is communicated to external parties

MONITORING

The information included here discusses the entity-wide, continuous process to ensure internal control systems are working as intended. The role of the executive monitoring sponsor includes facilitating and verifying that the Department Name monitoring practices are implemented and functioning. The responsibilities as the executive monitoring sponsor(s) have been given to: Selected Name, Title, and Selected Name, Title (as applicable).

Describe the process(es) used entity-wide to ensure the effectiveness of the risk management and internal control systems and how management responds to vulnerabilities as they are identified.

This section of the report must include: (web portal entry limited to 25,000 characters)

- *Confirming effectiveness of internal control systems using:*
  - o *Routine activities to identify potential problems (e.g, tracking key performance indicators, meetings, and reconciliations)*
  - o *Periodic detailed reviews, which are best performed by:*
    - ▪ *Knowledgeable staff not directly involved with day-to-day operation of the control system under review*
    - ▪ *Internal or external reviewers*
- *Comparison of results to expectations and determination if changes are needed*
- *Process to assign ownership for addressing vulnerabilities identified through monitoring*
- *Monitoring of progress to reduce the identified vulnerabilities*

Self-Assessment
Checklist does not appear in your report.

- Monitoring activities are performed, documented, and measured against a baseline
- Management evaluates monitoring results and ensures needed corrective measures are implemented and documented

---

RISK ASSESSMENT PROCESS

Portal will now include standardized checkboxes for the three components of the risk assessment process. However, the *option* to write a supplemental narrative will be available as well.

The following personnel were involved in the Entity risk assessment process: **Select all that apply from the following options:** *Executive Management, Middle Management, Frontline Management, and Staff*

The following methods were used to identify risks: **Select all that apply from the following options:** *Brainstorming Sessions, Employee Engagement Surveys, Ongoing Monitoring Activities, Audit/Review Results, Other/Prior Risk Assessments, External Stakeholders, Questionnaires, Consideration of Potential Fraud, Performance Metrics, and Other*

The following criteria were used to rank risks: **Select all that apply from the following options:** *Likelihood of Occurrence, Potential to Impact Mission/Goals/Objectives, Timing of Potential Event, Potential Impact of Remediation Efforts, Tolerance Level for the Type of Risk, and Other*

Optional narrative: (web portal entry limited to 4,500 characters)
You may include a narrative of your risk assessment process to supplement your answers from above

---

Self-Assessment
Checklist does not appear in your report.

- Management establishes clearly defined objectives to enable identification of risks and definition of risk tolerances
- Management identifies, analyzes, and responds to risks
- Potential for fraud is considered when identifying, analyzing, and responding to risks
- Significant changes are considered when identifying, analyzing, and responding to risks

RISKS AND CONTROLS

Risk Title (repeats for each risk listed in the portal)
Provide a title for this risk, this title will appear in the printed report
 (web portal entry limited to 2,500 characters)

Describe your entity's risk and provide information necessary to understand the risk.
Risk statements include three elements:

The description must include
- *An event causing concern*
- *Root cause(s) for the event*
- *Impact(s) to goal(s)/objective(s) if the event occurs*

Control Title (repeats for each control listed in the portal)
Provide a title for this control, this title will appear in the printed report (web portal entry limited to 1,250 characters)

Describe each activity being used to reduce the risk.

This section of the report must include:
- Description of the control activity
- Explanation of how this activity reduces the risk

Self-Assessment
Checklist does not appear in your report.

- Management designs control activities to achieve objectives and respond to risks
- Information systems and control activities are designed to achieve objectives and respond to risks
- Control activities are implemented and documented in policies, procedures, or other similar documentation

CONCLUSION

The Entity strives to reduce the risks inherent in our work and accepts the responsibility to continuously improve by addressing newly recognized risks and revising mitigation strategies as appropriate. I certify our internal control and monitoring systems are adequate to identify and address current and potential risks facing the organization.

Additional Comments—Optional

Agency Head Name, Title

CC: California Legislature [Senate (2), Assembly (1)]
    Californian State Auditor
    California State Library
    California State Controller
    Director of California Department of Finance
    Secretary of California Government Operations Agency