

INSIGHT FROM A DBM JUNIOR LEADER

Aha Moment on That Thing Called “Internal Control”

By Sheryll Grace S. Aromin¹

“**A**ng internal control ay hindi lang pala internal audit (*Internal control is not only internal audit*)” is one expression of the “Aha!” moments of many of the participants of the PFM Certificate Program. I learn about their realization as I am a trainer on Principles of Internal Control, a topic under the PFM Foundation Track of the program that aims to develop the competencies of PFM staff and practitioners in the government.

The more I listen to them, the more I learn that not all government employees know what internal control is, when and where it is found in their organizations, how it works and why it is enforced. It still remains a challenge to advocate proper understanding by each public servant of their essential roles in the internal control systems of their organizations.

Internal control, it seems, is an unpopular topic among government employees. Their understanding of the concept tends to skew toward the misconception that it is a stand-alone system in the organization. The concept even confuses and intimidates, making them believe that this expertise is only for external and internal auditors. Internal control is often wrongly associated with and understood as the sole function of internal audit.

This misconception should be addressed because internal control is built in, rather than built on, the organization. Moreover, internal audit only a part of the bigger picture of internal control. We should understand that while the direct responsibility to install, implement, and monitor a sound system of internal control is lodged with the heads of the agencies, each of us plays a significant role in the integrity and effectiveness of internal control systems in our organizations. Our tasks, no matter how mundane they may seem, are vital parts of our agencies’ internal controls. Without management’s support and the employees’ active participation, our offices will be like “sitting ducks,” easy and vulnerable targets for fraud, errors, and corruption.

We should remind one another that internal control is interwoven and embedded in our activities and systems. We likewise need to refresh one another’s memories that installing, implementing, and strengthening internal controls are grounded on sound legal bases. We should be cognizant of our role in the internal control systems of our organizations.

With the apparent success of the rollout of the National Guidelines on Internal Control Systems (NGICS) and the installation of internal audit units in almost all government agencies, the next challenge is to amplify the roles of the management and the employees in the design and implementation of internal control systems in their organizations. Levelling the awareness of all government employees as well as their clientele and stakeholders will help make them champions of strengthening their internal control systems.

Further, capacity-building programs, such as the PFM Certificate Program, provide opportunities for awareness and information-sharing through its experiential and reflective learning strategy. This program is a courageous step toward the right direction and a deeper appreciation of the NGICS and the Philippine Government Internal Audit Manual (PGIAM) among the agencies.

I am certain that the next batches of the PFM Certificate Program’s participants will learn the true concept of internal control and be able to confidently say, “Ako pala ay bahagi ng internal control ng aming ahensya. (I am part of the internal control system of my agency.)” That, in turn, will be an “Aha!” moment for me.

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