

Analysis of Systems, Controls, and Legal Compliance

Internal Control Program in the Department of Justice

The objective of the Department of Justice's internal control program is to provide reasonable assurance that operations are effective, efficient, and comply with applicable laws and regulations; financial reporting is reliable; and assets are safeguarded against waste, loss, and unauthorized use. The Department identifies issues of concern through a strong network of oversight councils and internal review teams. These include the Department's Senior Assessment Team, the JMD's Internal Review and Evaluation Office and Quality Control and Compliance Group, and Departmental component internal review teams. The Department also considers reports by the OIG in its evaluation of internal control.

The Department's internal control continues to improve through the corrective actions implemented by senior management. The Department's commitment to management excellence, accountability, and compliance with applicable laws and regulations is evidenced in our continuing actions to establish effective controls, make sound determinations on corrective actions, and verify and validate the results. This commitment is further evidenced by the many control improvements and actions taken by Departmental management in response to OMB initiatives and OIG recommendations. For example, during FY 2009, Departmental management developed an accountability framework for managing the \$4 billion received under the American Recovery and Reinvestment Act of 2009 (Recovery Act). The framework leverages and builds on existing accountability mechanisms within the Department, such as the annual internal control assessment for OMB Circular A-123 compliance, and reflects the coordinated efforts that are occurring among all Departmental offices and components with Recovery Act responsibilities to ensure effective achievement of the Act's objectives. In addition, Departmental management continued in FY2009 to further strengthen and maximize the effectiveness of the Department's assessment of internal control over financial reporting, which is required by Appendix A of OMB Circular A-123. Examples of such efforts include:

- refining the framework and process for assessing internal control over financial reporting,
- enhancing the oversight process to ensure prompt and proper implementation of corrective actions,
- providing direct assistance to components with previously identified material weaknesses and reportable conditions, and
- continuing to support and commit resources to Departmental component internal review programs.

Details on additional actions taken by Departmental management to build and sustain a strong internal control program are included later in this section.