

Overview of the Green Book

- “Green Book” is US Government Accountability Office’s (GAO) Standards for Internal Control in the Federal Government. It has been in place since 1983, but revisions to the Standards began May 2013.
 - Green Book sets the standards for an effective internal control system for federal, state and local governmental entities. Also provides audit criteria for auditors.
 - Revisions issued September 2014 for implementation in FY2016 (July 2015)
 - Leverages revised COSO framework, with a government perspective
 - Identified as acceptable framework for internal control on state/local level under OMB “Super Circular” Guidance

- There are 5 components and 17 principles of internal control necessary for the governmental entities to achieve objectives and establish an effective internal control system:
 - Control Environment (5 principles)
 - Risk Assessment (4 principles)
 - Control Activities (3 principles)
 - Information & Communication (3 principles)
 - Monitoring Activities (2 principles)

- Few other states have adopted Green Book at this time; Minnesota most matured in adoption of Green Book (had previously adopted revised COSO framework) with assistance from legislation passed in 2009.

- OBM State Accounting will revise the policy manual to adopt the Green Book as the state’s internal control framework this summer.
 - OBM will create a phased agency implementation schedule
 - OIA will provide consulting services for agency adoption
 - Agency management will be responsible for internal controls at their agency
 - Agencies will need to map controls to each of the 17 principles, if applicable