Green Book:
The Control Environment

Course Description

Standards for Internal Control in the Federal Government, known as the "Green Book," sets the standards for an effective internal control system for federal agencies. This course covers the control environment of the governmental internal control framework, as discussed within the GAO Green Book. The GAO Green Book standards describe the control environment as the foundation for a system of internal controls, providing the discipline and structure needed to help an entity reach its objectives. The course takes an in-depth look at the 5 key principles that the GAO recommends must be in place for an entity's internal control environment to be considered effective.

Completion Deadline & Exam: This course, including the examination, must be completed within one year of the date of purchase. In addition, unless otherwise indicated, no correct or incorrect feedback for any exam question will be provided.

Course Level: Basic. This program is appropriate for professionals at all organizational levels.
CPE Credits: 4 (CPA)
Category: Auditing - Government
Prerequisite: Basic Auditing
Advanced Preparation: None

Course Learning Objectives

Chapter 1   Introduction

After completing this chapter, you should be able to:

1. Define internal control and internal control system
2. Recognize the 5 main components of an effective system of internal controls and the related 17 principals which should be present
3. Define the control environment and the 5 principal characteristics that should be present in support of an effective control environment

Chapter 2   Demonstrate Commitment to Integrity and Ethical Values

After completing this chapter, you should be able to:

1. Recognize the principle of "demonstrating a commitment to integrity and ethical values" as a key principle expected to be present in support of an effective control environment.
2. Recognize the 3 main attributes considered necessary by the GAO for the principle of "demonstrating a commitment to integrity and ethical values" to be considered to be present in an entity's control environment.
3. Identify examples of the 3 main attributes considered necessary by the GAO for the principle of "demonstrating a commitment to integrity and ethical values" to be considered to be present in an entity's control environment.

Chapter 3   Exercising Oversight Responsibility

After completing this chapter, you should be able to:

1. Recognize the principle of "exercising oversight responsibility" as a key principle expected to be present in support of an effective control environment.
2. Recognize the 3 main attributes considered necessary by the GAO for the principle of "exercising oversight responsibility" to be considered to be present in an entity's control environment.
3. Identify examples of the 3 main attributes considered necessary by the GAO for the principle of "exercising oversight responsibility" to be considered to be present in an entity's control environment.

Chapter 4   Establish Structure, Authority, and Responsibility

After completing this chapter, you should be able to:

1. Recognize the principle of "establishing structure, authority, and responsibility" as a key principle expected to be present in support of an effective control environment.
2. Recognize the 3 main attributes considered necessary by the GAO for the principle of "establishing structure, authority, and responsibility" to be considered to be present in an entity's control environment.
3. Identify examples of the 3 main attributes considered necessary by the GAO for the principle of "establishing structure, authority, and responsibility" to be considered to be present in an entity's control environment.

Chapter 5   Demonstrate a Commitment to Competency

After completing this chapter, you should be able to:

1. Recognize the principle of "demonstrating a commitment to competency" as a key principle expected to be present in support of an effective control environment.

2. Recognize the 3 main attributes considered necessary by the GAO for the principle of "demonstrating a commitment to competency" to be considered to be present in an entity's control environment.
3. Identify examples of the 3 main attributes considered necessary by the GAO for the principle of "demonstrating a commitment to competency" to be considered to be present in an entity's control environment.

Chapter 6   Enforce Accountability

After completing this chapter, you should be able to:

1. Recognize the principle of "enforcing accountability" as a key principle expected to be present in support of an effective control environment.
2. Recognize the 2 main attributes considered necessary by the GAO for the principle of "enforcing accountability" to be considered to be present in an entity's control environment.
3. Identify examples of the 2 main attributes considered necessary by the GAO for the principle of "enforcing accountability" to be considered to be present in an entity's control environment.