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# INTERNAL CONTROL SYSTEM TEST AND OPERATIONAL RISK MANAGEMENT ASSESSMENT

1. **Command/Department**: _____

2. **Work Process/Assessable Unit**: _____

3. **Identify key metrics used to measure performance. Annotate the flowchart to show their location(s)**: (Normally a work process will have two to three key metrics that show the level of progress towards achieving intended results.)

4. **Test the key metrics. Are they reliable indicators?** (If no, explain remedies in paragraph 7 below.)

5. **Way(s) internal controls tested:** (Perform and check one or more blocks.)
   - [ ] Performed a physical inspection or walk through of the process.
   - [ ] Reviewed documents.
   - [ ] Interviewed cognizant managers.
   - [ ] Evaluated data.

6. **Test results**

| | YES | NO |
|---|---|---|
| a. Does the flowchart accurately reflect the process? | [ ] | [ ] |
| b. Is the process producing intended results? | [ ] | [ ] |
| c. Are protections against fraud, waste, abuse, and mismanagement practices adequate? | [ ] | [ ] |
| d. Are laws and regulations followed? | [ ] | [ ] |
| e. Is the process effective, efficient, and economical? | [ ] | [ ] |
| f. Has an Operational Risk Management (ORM) Assessment been performed? (Refer to OPNAVINST 3500.39A, encl (1)) | [ ] | [ ] |

(1) If YES, attach a completed NETC 5200/2.
If NO, explain why in paragraph 7 below.

(2) For the ORM Assessment, what is the overall Risk Assessment Code (RAC)? (check one)
- 1 = Critical [ ]
- 2 = Serious [ ]
- 3 = Moderate [ ]
- 4 = Minor [ ]
- 5 = Negligible [ ]

| | | |
|---|---|---|
| g. Are the internal controls acceptable for reducing risks? | [ ] | [ ] |

7. **For any "NO" response above, indicate if any action is planned and expected completion date.**

8. **Does this process warrant reporting to higher authority as a material weakness?** **YES** [ ] **NO** [ ]

9. **Attested to by:** _____ **Date:** _____



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