

MB DECISION



Decision n°: 2009/6

Subject: Revised Internal Control Standards

Person responsible: Director

THE MANAGEMENT BOARD OF THE EUROPEAN UNION AGENCY FOR FUNDAMENTAL RIGHTS

HAVING REGARD to the Agency's Financial rules and in particular article 38§4 where the authorising officer shall put in place, in compliance with the minimum standards adopted by the Management Board on the basis of equivalent standards laid down by the Commission, the organisational structure and the internal management and control systems and procedures;

HAS ADOPTED the revised Internal Control Standards provided in Annex I.

14/12/09

Vienna,

A large, stylized handwritten signature in blue ink, which appears to read 'Anastasia', is written over the printed name and title of the signatory.

Anastasia Crickley
Chairperson of the FRA Management Board

Annexes
Annex I – Revised Internal Control Standards



INTERNAL CONTROL STANDARDS FOR EFFECTIVE MANAGEMENT

- Strengthening Control Effectiveness -

(Based on Commission's communication SEC(2007)1341)

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INTERNAL CONTROL STANDARDS FOR EFFECTIVE MANAGEMENT

Mission and Values

1. **Mission:** The Agency's *raison d'être* is clearly defined in up-to-date and concise mission statements developed from the perspective of the Agency's customers.
2. **Ethical and Organisational Values:** Management and staff are aware of and share appropriate ethical and organisational values and uphold these through their own behaviour and decision-making.

Human Resources

3. **Staff Allocation and recruitment:** The allocation and recruitment of staff is based on the Agency's objectives and priorities.
4. **Staff Evaluation and Development:** Staff performance is evaluated against individual annual objectives, which fit with the Agency's overall objectives. Adequate measures are taken to develop the skills necessary to achieve the objectives.

Planning and Risk Management Processes

5. **Objectives and Performance Indicators:** The Agency's objectives are clearly defined and updated when necessary. These are formulated in a way that makes it possible to monitor their achievement. Key performance indicators are established to help management evaluate and report on progress made in relation to their objectives.
6. **Risk Management Process:** A risk management process that is in line with applicable provisions and guidelines is integrated into the annual activity planning.

Operations and Control Activities

7. **Operational Structure:** The Agency's operational structure supports effective decision-making by suitable delegation of powers. Risks associated with the Agency's sensitive functions are managed through mitigating controls. Adequate IT governance structures are in place.
8. **Processes and Procedures:** The Agency's processes and procedures used for the implementation and control of its activities are effective and efficient, adequately

documented and compliant with applicable provisions. They include arrangements to ensure segregation of duties and to track and give prior approval to control overrides or deviations from policies and procedures.

- 9. Management Supervision:** Management supervision is performed to ensure that the implementation of activities is running efficiently and effectively while complying with applicable provisions.
- 10. Business Continuity:** Adequate measures are in place to ensure continuity of service in case of "business-as-usual" interruption. Business Continuity Plans are in place to ensure that the Agency is able to continue operating to the extent possible whatever the nature of a major disruption.
- 11. Document Management:** Appropriate processes and procedures are in place to ensure that the Agency's document management is secure, efficient (in particular as regards retrieving appropriate information) and complies with applicable legislation.

Information and Financial Reporting

- 12. Information and Communication:** Internal communication enables management and staff to fulfil their responsibilities effectively and efficiently, including in the domain of internal control. Where appropriate, the Agency has an external communication strategy to ensure that its external communication is effective, coherent and in line with the Agency's key political messages. IT systems used and managed by the Agency are adequately protected against threats to their confidentiality and integrity.
- 13. Accounting and Financial Reporting:** Adequate procedures and controls are in place to ensure that accounting data and related information used for preparing the Agency's annual accounts and financial reports are accurate, complete and timely.

Evaluation and Audit

- 14. Evaluation of Activities:** Evaluations of expenditure programmes and other non-spending activities are performed to assess the results, impacts and needs that these activities aim to achieve and satisfy.
- 15. Assessment of Internal Control Systems:** Management assess the effectiveness of the Agency's key internal control systems, including the processes carried out, at least once a year.
- 16. Internal Audit Capability:** The Agency has an Internal Audit Capability (IAC), which provides independent, objective assurance and consulting services designed to add value and improve the operations of the Agency.

Appendix 2

LINK WITH FORMER 24 ICS

Former 24 ICS	Covered by revised ICS or related Requirements
1. Ethics and Integrity	2. Ethical and organisational values
2. Mission, roles and tasks	1. Mission + 4. Staff evaluation and development
3. Staff competence	4. Staff evaluation and development
4. Staff performance	4. Staff evaluation and development
5. Sensitive functions	7. Operational structure
6. Delegation	7. Operational structure
7. Objective setting	5. Objectives and Performance Indicators
8. Multi-annual programming	5. Objectives and Performance Indicators
9. Annual management plan	5. Objectives and Performance Indicators
10. Monitoring performance against targets and indicators	5. Objectives and Performance Indicators
11. Risk analysis and management	6. Risk management process
12. Adequate management information	12. Information and communication
13. Mail registration and filing systems	11. Document management
14. Reporting improprieties	2. Ethical and organisational values
15. Documentation of procedures	8. Processes and procedures
16. Segregation of duties	8. Processes and procedures
17. Supervision	9. Management supervision
18. Recording exceptions	8. Processes and procedures
19. Continuity of operations	10. Business continuity
20. Recording and corrections of IC weaknesses	12. Information and communication
21. Audit reports	9. Management supervision
22. Internal Audit Capability	16. Internal Audit Capability
23. Evaluation	14. Evaluation of activities
24. Annual review of Internal Control	15. Assessment of internal control systems