



# Standards Update:

## Internal Control Environment CA-FIN 2

**Publication:** 8<sup>th</sup> Edition\Canadian

**Issue:** Revised Standard

**Effective Date:** April 1, 2007

**Discussion:** Based on research and response from the field, this standard has been revised to reflect best practice. This Standards Update applies to all organisations whose Accreditation Agreement has been received by COA on or following April 1, 2007. For all other organisations, this Standards Update is optional.

### Revised Standard

#### **FIN 2**

The organisation establishes an internal control system that includes mechanisms for:

- a. review by the governing body's audit committee, **as applicable**;
- b. management review by more than one individual;
- c. assurance that management directives are carried out;
- d. prevention of error, mismanagement, or fraud;
- e. safeguarding and verification of assets; and
- f. segregation of duties to the extent possible.

### Original Standard

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