

Appendix A—The COSO 2013 Framework—Summary

Objectives		Components	Principles	
Operations	Reporting	Compliance	Control Environment	1 The organization demonstrates a commitment to integrity and ethical values
				2 The board of directors demonstrates independence from management and exercises oversight of the development and performance of internal control
				3 Management establishes with board oversight, structures, reporting lines and appropriate authorities and responsibilities in the pursuit of objectives
				4 The organization demonstrates a commitment to attract, develop and retain competent individuals in alignment with objectives
				5 The organization holds individuals accountable for their internal control responsibilities in the pursuit of objectives
			Risk Assessment	6 The organization specifies objectives with sufficient clarity to enable the identification and assessment of risks relating to objectives
				7 The organization identifies risks to the achievement of its objectives across the entity and analyses risks as a basis for determining how risks should be managed
				8 The organization considers the potential for fraud in assessing risks to the achievement of its objectives
				9 The organization identifies and assesses changes that could significantly impact the system of internal control
			Control Activities	10 The organization selects and develops control activities that contribute to the mitigation of risks to the achievement of objectives to acceptable levels
				11 The organization selects and develops general control activities over technology to support the achievement of objectives
				12 The organization deploys control activities through policies that establish what is expected and procedures that put policies into action
			Information and Communication	13 The organization obtains or generates and uses relevant, quality information to support the functioning of internal control
				14 The organization internally communicates information, including objectives and responsibilities for internal control necessary to support the functioning of internal control
				15 The organization communicates with external parties regarding matters affecting the functioning of internal control
			Monitoring Activities	16 The organization selects, develops and performs ongoing and/or separate evaluations to ascertain whether the components of internal control are present and functioning
				17 The organization evaluates and communicates internal control deficiencies in a timely manner to those parties responsible for taking corrective action, including senior management and the board of directors, as appropriate