

CASE STUDY - AGENCY RISK MANAGEMENT AND INTERNAL CONTROL STANDARDS (ARMICS)

Ensuring fiscal integrity, regulatory compliance,
and proper asset stewardship.



OBJECTIVE

Several Commonwealth of Virginia agencies required an independent ARMICS assessment to ensure compliance with state-mandated risk management and internal control standards. The agency faced challenges in documenting risk mitigation strategies, assessing control effectiveness, and meeting reporting deadlines. Their internal team lacked the necessary expertise to conduct a thorough evaluation, increasing their risk of non-compliance.

SOLUTIONS

GME's ARMICS assessment reviews uncovered internal control gaps and weaknesses that required a formal Corrective Action Plan.

- Conducted discovery and requirements gathering sessions to develop accurate procedures and enhance tools.
- Conducted stakeholder interviews to evaluate organization culture, structure, risk management and control practices.
- Completed surveys as part of the risk assessment process and documented a SWOT analysis based on the results of all engagement activities.
- Proposed enhancements to risk management and internal control practices.
- Developed updated and new policies and procedures to address gaps and document current practices.
- Developed tool to simplify reimbursement processes managed by the agency.
- Streamlined Control Documentation & Reporting Processes for Improved Operational Efficiency

Project Services Included:

- Project Management & Scoping
- Data Collection & Analysis
- Risk Assessment & Internal Controls Evaluation
- Agency & Transaction Testing
- Gap Analysis & Recommendations
- Implementation Support & Training
- ARMICS Process Improvement & Job Aids Development
- Application of Industry Practices to Develop & Implement SOPs to Support High-Turnover Agency
- Final Reporting & Compliance Assurance.

**Successful Completion of ARMICS
Assessment to Facilitate
Certification.**

RESULTS

GME successfully completed the annual ARMICS consulting services for the 2020, 2021, 2022, 2023 and 2024 reviews and certification of internal controls as required by the ARMICS directive of the Department of Accounts (DOA). Our team of specialists conducted a structured, multi-phase approach to evaluate the agency's internal controls and risk management framework. Highlights of measurable outcomes, improvements, or successes achieved include:

- Improved risk management and internal control practices agency-wide.
- Documented Standard Operating Procedures with Visio process maps for key fiscal processes.
- Application of skills and practices related to the analysis, design and implementation of risk management and controls.
- Risk assessments with evaluation of practices against policies and regulations.
- Development and enhancement of process to assure the Agency that the ARMICS submission met all certification criteria, avoiding penalties and compliance issues.