

**Internal control as a tool to improve efficiency in public management**

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The public administration has been changing its approach towards the control of its activities, and towards a permanent process of surrender of accounts that implies being transparent its operation. In this frame, the present times require that the servants public have a new mentality, that implies the fact to recognize the enormous responsibility that has in the handling of the resources public. In addition to the risks that run to be sanctioned, to incur practices outside the applicable normatividad, derived from the inadequate, irregular, doloso handling, or default of the resources property of the Government, if we considered that the ignorance of the law does not exempt of its consequences by his procedural nonapplication.

**Government, Public Good, Contraloría.**

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## Introduction

The limited view we have of the processes, poor or inadequate coordination and communication among the different areas even though they are physically together, among others; arise the inevitable need to think about preventive measures to help avoid possible damage that these situations might do to government operation and consequently affect the achievement of its objectives.

In this vein, it is important to note the significant and effective contribution made by the General Comptroller of the Federal District through Internal Control to the public administration of the Federal District, to reach the achievement of its objectives and to avoid possible risks arising from the performance of public servants.

The preventive approach that gave the General Comptroller of the Federal District with Internal Control was instrumental to advance in the care of the problems presented, leaving behind the limitations of the detective and corrective controls, which did not solve the root of the problem.

The need for Internal Control in the public administration of the Government of the Federal District is crucial, considering that according to my experience at the Internal Comptroller in the Administrative Office, I found that regularly the activities of the audit institutions tend to review the same issues, repeatedly finding that the same practices prevail, which result in penalties for the officials in turn.

For the above, it is of interest to students of Public Administration, to discuss about this issue with the purpose and intent of raising awareness of the need for internal controls in the performance of any employment, position or commission within the Public Sector to achieve the objectives in the first instance and secondly, to avoid in the measure of what is possible to fall in practices that contravene applicable regulations and cause corruption.

Derived from the above considerations, this paper aims to:

- To generate from a practical perspective, a research paper that demonstrates the importance of Internal Comptroller in a public organization such as the "Federal District" as a tool for the healthy fulfilling of their objectives and the search for efficiency; all with a critical view which only allows professional experience.

It should be noted that this document was based on two types of information: a) the one generated by documentary research; and b) the one generated by systematic presentation of information that has been obtained from empirical sources based on professional experience. Defined the object of study and research technique, the relevant method that led to knowledge in an orderly manner, to respond to the problem raised, was the "Deductive Method", as it allowed going from general premises, to particular conclusions. The theoretical depth with which the research was conducted was the "explanatory" one, because it allowed us the recomposition of knowledge, establishing a cause-effect relationship.

It should also be clarified that the investigation was located in time at a "transversal" level, as this allowed an exploration of the subject at the present.

Having done this research, during the theoretical-methodological debugging, we faced a serious limiting difficulty: not delving into political situations, not to mention that they are a primary explanatory factor of various phenomena.

In this sense, the work is structured based on the work experience had during the period going from February 1 2003 to March 15 2007 as head of the Division of Internal Control.

This paper is closed with a generic conclusion that through three different, but matching, perspectives, intend to leave on the reader the final thoughts about the benefits of internal control to prevent where possible, the risk on the responsibilities of public servants and the perspectives that are displayed to the General Comptroller of the Federal District in the near future.

### Of its Main Reasons

At the beginning of the administration of Andres Manuel Lopez Obrador as the Head of Government of the Federal District, the General comptroller of the Federal District conducted through its Internal Comptrollers the characteristic functions of audit institutions, mainly including: audits of the corrective type; formulate observations and make recommendations; monitoring the care given to the recommendations; the preparation of technical reports of unmet observations; and the application of sanctions to public servants.

The audit work consisted in the review and examination of the functions carried out by the dependencies, delegations and institutions, which gave as a result to support the executive function of the core staff; the previous within a corrective field, where deficiencies were found and the corresponding sanctions, were applied.

The type of audit performed by the General Comptroller through its Internal Comptrollers, was an independent activity that sought to support the leadership role, and focused on an objective, systematic and evaluatory exam of the period, in order to determine the degree of economy, effectiveness, efficiency, impartiality, honesty and adherence to the standards with which public resources were managed. We identify the following as the main achievements:

- The areas recognized that they were susceptible, to audits being done to them, because in some cases none had been practiced on them in the past.
- The areas recognized their mistakes.
- The areas were found the need to investigate the applicable regulations, to work and solve the observations made to them.
- The areas began to take responsibility for their duties, to see the consequences of their actions in the operation, despite the problems posed by the excessive rotation of staff.

- The middle and senior management began to engage in the comprehensive activities of their areas, in order to avoid responsibilities falling onto them; trying to be extra careful in handling the resources allocated to them.
- The areas sought to adhere more to the regulations in the performance of their functions; and were concerned about establishing some controls.
- Took care of lagging issues sometimes involving damage to the treasury.

Nevertheless, such was the extent of the deficiencies that the actions performed were not enough because many of them prevailed and that merited other kind of measures to ensure the permanent solution of the problems; This led to search for a new approach in the General Comptroller of the Federal District for the activities made by the Internal Comptroller, that was eminently preventive, based on the establishment of mechanisms or tools to carry out their new roles, which led to Implementation of Internal Control Systems with a modern vision.

### Concerning the Internal Control

The General Comptroller of the Federal District with the purpose of contributing to the construction of a more efficient and effective public administration that clearly shows the use of public resources and to combat corruption directly.

It left behind the audit in the Internal Comptrollers as the primary function, changing the supervisory and corrective approach, to a preventive way of acting <sup>32</sup> and in strict accordance with the regulations, to help achieve the objectives of Government Units; advising and accompanying their holders in decision-making.

In this regard, the amendments to the Rules of Procedure of the Civil Service of the Federal District that were made on May 21, 2002 were consolidated, in which the establishment of internal control systems are included, with this new preventive purpose, a methodology based on the model "COSO" (the New Concepts of Internal Control, COSO Report) was structured, which proved to be a valuable tool in order to achieve harmony in the operation of the Internal Comptrollers, providing them with an effective tool to identify key risks in the processes realized by the Government Units and providing elements to assess and implement internal controls.

The Internal Comptrollers are characterized by having a real and professional commitment to the Government of the Federal District, seeking to support it to meet all situations that involve risks and that were found and attending the development of its functions.

This preventive aspect of the Internal Comptroller was identified by an attempt to root out the problems and risks identified in the dependencies, delegations and institutions through the implementation of Internal Control Systems.

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<sup>32</sup> BLANCO Illescas Francisco. El Control Integrado de Gestión. Editorial Limusa S. A., impreso en México, año 1980. Pág. 70.

As part of the methodology established by the General Directorate of Internal Comptrollers, Diagnostics were made to the Government Units, that managed to clearly identify the main problems of dependencies, delegations and institutions, and the significant risks that arise in their operation, which allowed to make proper planning in order to take care of the most important needs, prioritizing them according to their level of risk.

The works for the Implementation of Internal Control Systems and its monitoring provided positive results, because of the participation of the various intervened areas, which contributed to their implementation, making them useful and functional tools.

It should be noted that the General Comptroller of the Federal District, reports directly to the Head of the Government of the Federal District, and belongs to the central government<sup>33</sup>.

### **Objective of the General Comptroller of the Federal District**

Monitor and evaluate the Public Management of the dependencies, Public Entities and Decentralized Organs of the Federal District and manage with honesty, efficiency and transparency the resources allocated to the General Comptroller, to ensure the effective operation of the same, based on the policies, rules, procedures and applicable laws<sup>34</sup>.

### **Control Background**

Early in the administration, controls were defined as the mechanisms or practices used to prevent or detect unauthorized activity. Later, the purpose of the controls was expanded to include the concept of "getting things done". Current stream defines it as any effort made to increase the chances that the objectives are achieved.

The concept of control appeared with a negative character, that is to say, to prevent events from happening and to restrict wrong performance accordingly. That rationale had its reasons and was fully justified by the constant frauds that were committed to the detriment of business owners, but over time it changed into positive ways. Today the concept of internal control involves the strong support to the efforts made to achieve the goals and objectives set.

<sup>33</sup> GOBIERNO del Distrito Federal. Reglamento Interior de la Administración Pública del Distrito Federal. Publicado en la Gaceta Oficial del Distrito Federal No. 224 del 28 de diciembre de 2000, págs. 3-6, y reformas publicadas en la Gaceta Oficial del Distrito Federal No. 70 del 3 de mayo de 2006. Art. 6 y 7.

<sup>34</sup> GOBIERNO del Distrito Federal. Manual Administrativo de la Contraloría General del Distrito Federal. Publicado en la Gaceta Oficial del Distrito Federal No. 93-BIS del 11 de agosto de 2006. Integrada por 760 páginas.

### Nature of controls

The control is in the first instance, a function within the administrative process of government administration, for the realization of different activities towards the fulfillment of previously set objectives, to define policies, strategies, programs, and develop and implement appropriate administrative processes to ensure optimum performance.

The concept of control, therefore, is part of the various activities of human beings, and in the case of administrative activities, the whole operation is part of a process, which should be automatically checked to ensure the fulfillment of its objectives. Herein lies the importance of taking the time for the implementation and dissemination of the control systems in government administration, as their lack or deficiency hinders the achievement of objectives.

Note that its meaning is generic, but their goals are specific, so it is convenient to say so in its content, as it guides the search for efficiency, protection and safeguarding of financial, human and material resources of public administration of the Government of the Federal District, as well as the personal safeguard of the ones responsible for those functions.

The control is embedded, without exception, in all levels of the public administration of the Federal District, regardless of the sector and its specific purposes, ie private or public and can identify its nature by the association with the levels of the administrative process.

### Definition of Internal Control

The Government of the Federal District defines Internal Control, in general terms, as a process carried out by the Public Administration: holders, governing bodies and the staff of the unit, designed to provide reasonable assurance when achieving their objectives in the following categories:

- Effectiveness and efficiency of operations of Public Management.
- Reliability of financial reports.
- Compliance with legal provisions.
- Protection of government property.
- Fighting Corruption<sup>35</sup>.

The first category refers to the fulfillment of the basic objectives of the work of the unit; includes programmatic and budgetary performance objectives and, in some cases, of productivity, and verification that the various public services required by the citizens are made with adherence to administrative regulations applicable to each case, to legitimate the government programs.

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<sup>35</sup> CONTRALORÍA General del Distrito Federal. Metodología para la Elaboración del Diagnóstico e Implantación del Control Interno 2004. Emitidos en archivo electrónico por la Contraloría General del Distrito Federal. Circular No. 049 de fecha 18 de octubre de 2004. Pág. 9.

The second relates to the preparation of reliable financial and operational states that are published, including interim statements, the condensates and selected financial and operating data, derived from those reports, as appropriate, the regular publication of financial statements. The third deals with the implementation of those laws, regulations and standards to which the unit is subject to. The fourth relates to the measures required or not by the regulations, intended to protect the assets of the government and, fifth, to the detection and suppression of illicit practices.

Talking about Internal Control, is to refer to a valuable tool that can contribute largely to ensure compliance with a unit, securing it with a reasonable margin<sup>36</sup>, achieving its basic objectives or at least the survival of the unit, area or function itself. It is important to remark that it only operates when the internal control actually attends to the risks faced by the processes made by the unit, area or function, and the decision has been made at board level, to operate with the appropriate staff. Consequently, success of internal control depends on various predominantly internal factors.

It is important to reiterate that an internal control system, no matter how well designed it is and how well it works, can only give a reasonable degree of certainty, not absolute, as for the achievement of the objectives of the unit.

An internal control can only "help" to the achievement of the objectives of the unit; however, an internal control cannot make bad officials responsible for its operation, to become good officials.

Internal Control is also a safeguard against waste, inefficiency, it promotes the security that operating policies are being met and are met by competent and loyal staff.

In the implemented processes, it is necessary to point out that the internal control system cannot meet its target, if daily activities are not continuously in the hands of primarily qualified personnel.

Proper internal control requires monitoring mechanisms set to be periodically reviewed in order to determine if they are valid and ensure that the results are as expected.

The evaluation of internal control is the core stage of the audit work. Once evaluated it must document whether if the internal control mechanisms served fully, partially or not achieved their purpose.

Internal control consists of a coordinated plan between accounting, employee functions and procedures so that the administration of an institution can depend with a reasonable degree of reliability of these elements for getting secure information, adequately protect their property and promote operational efficiency and adherence to prescribed administrative policy.

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<sup>36</sup> PERDOMO Moreno Abraham. Fundamentos de Control Interno. Impreso por Internacional Thomson Editores S. A. de C. V. en México, año 2000. Pág. 318.

The obligation of the Internal Auditor is to oversee that the control is effective, and not fall into very common mistakes such as thinking that establishing internal controls ensure efficiency; or creating it in a vacuum, without considering the possibilities and needs of the agency; or believe that control is to prevent theft and restrict expenditure and fields.

Internal control requires attention and must ensure that its objectives are met, because when this does not happen, wrong decision can be made in prejudice of the unit.

To have a good internal control, we do not have to forget considering:

- Should be established according to the particular needs of the area that needs it.
- Should be applied where the possibility of using methods of measurement exist.
- Must be favorable.
- Must demonstrate deviations immediately and ideally should avoid them.
- Must be positive, in helping the achievement of the goals.
- Must be combined with other functions such as planning, organization, etc.
- Must be simple and understandable.
- Must be economic.
- Must be a continuous activity

### **What internal control can achieve**

Internal control can help the unit of government to achieve its performance goals and objectives and, where appropriate, productivity, as well as prevent loss of resources.

It can also help ensure the reliability of financial and operational reports, ensure that the laws are met, avoiding damage to its reputation and other consequences. In sum, it can help get the government unit where they want to be and avoid failures and surprises along the way.

### **Context of Internal Control**

Internal control falls within the framework of policies, strategies, lines of action, goals and objectives established by the General Development Program of the Federal District 2000-2006, as an instrument to perform the government project of managing in matters of governance and public security, sustainable development, progress with justice and managing and finances, to contribute to the harmony, the comprehensive content, consistency of public policies and the search for a new staff for a new city, under the principles of honesty, professionalism, transparency, efficiency and austerity. It was the guiding principle of the restructuring of the functions of law, audit, assessment, diagnosis and operation of internal comptrollers, to reinforce the concept of a new intervention model that privileges the activities of assisting, prevent, advice and support to holders of administrative bodies in making decisions and contribute to a more honest, efficient, austere government that release more resources to the society through basic schemas of wellness.



Public management through internal control refocuses its efforts to monitor the compliance of law, regulations and administrative, not only in terms of information, statistics, organization, procedures, hiring and remuneration of staff, systems for recording and accounting, procurement, leases, services, public works, conservation, use, destination, affectation alienation and low of movable and immovable property, warehouses, and other assets; but also to favor adequate provision of various public services required and paid by city users through their tax contributions.

### A Preventive Comptroller

Internal control is part of a management philosophy that places special importance on preventive actions, establishing systems that provide support to public servants in the control of processes under their responsibility, thus contributing to a better performance of their work, increasing efficiency and social productivity, within a framework of transparency, honesty, accountability and efficiency in the use of public resources.

In this scheme, the General Comptroller of the Federal District, as part of its restructuring, focused its efforts on developing internal control systems predominantly preventive; what it is to prevent deficiencies occur, from risk control situations that cause them. This is about avoiding deficiencies by controlling risk situations that cause them.

### Scope of Competence

The jurisdiction of the General Comptroller is stated in the Article 34 of the Organic Law of the Federal District Public Service (Ley Orgánica de la Administración Pública del Distrito Federal), it states that the office of the matters relating to the monitoring and evaluation of public management departments, administrative units, decentralized agencies, political-administrative bodies and entities of the Federal Public Service District are part of it through the Directorate General of Internal Comptroller (Dirección General de Contralorías Internas), who was responsible for integrating the Program Implementation and Monitoring Internal Control, to coordinate internal comptrollers during the evaluation process, implementation and monitoring of internal control systems in the units that are attached, and thus comply with the duties mentioned in Articles 112 and 113 of the Regulations of the Civil Service of the Federal District <sup>37</sup>.

### Limitations of Internal Control

The internal control system, no matter how good their design and operation are, can provide only a reasonable security to the unit of government concerning achieving their objectives. The ability to achieve these objectives is affected by the inherent limitations of any internal control system including:

<sup>37</sup> GOBIERNO del Distrito Federal. Reglamento Interior de la Administración Pública del Distrito Federal. Publicado en la Gaceta Oficial del Distrito Federal No. 224 del 28 de diciembre de 2000, y reformas publicadas en la Gaceta Oficial del Distrito Federal No. 70 del 3 de mayo de 2006. Integrada por 96 y 28 páginas.

- Judgment. The effectiveness of controls will be limited by the risk of human error in decision-making.
  - System dysfunctions. Despite being well designed, internal control systems can fail. Staff may misunderstand instructions or make errors in judgment.
  - Evasion. Of controls by Senior Officials. The internal control system cannot be more effective than those responsible for its operation. Even in government units that have a good control environment (those with high levels of integrity and control consciousness) there is a possibility that senior officials evade the Internal Control System.
  - Conspiracy. The plot by two or more people may cause failure in the control system. When people act collectively to commit and cover an act.
  - Cost-benefit. Resources are always scarce; institutions must consider the costs and benefits related to the implementation of controls.
- Holders. The holder has the primary responsibility and must take ownership of the system. More than any other individual, the holder puts the "example from above" influences the integrity, ethics and other factors of a positive control environment. In every unit, the holder fulfills the duty to exercise leadership and provide direction for CEOs, executives and of area, and review how they control the functions delegated to the unit. Managers at the same time, assign responsibility for establishment of more specific internal control policies and procedures to staff responsible for the functions in the unit of government. In small units, the influence of the holder is usually more direct.

In any case, in any unit in a downline, any boss really are the holder of his area of responsibility. Executive managers and staff are especially important, whose control activities cover up and down and side to side of the units of government.

- Internal Comptrollers. Internal comptrollers contribute in the design and effectiveness of the control systems and contribute to its ongoing evaluation. Because of their independent organizational position and powers with respect to the unit of government, the role of the comptroller plays an important role in monitoring the system.

Internal control is, with difference of degree, the responsibility of all members of the unit of government, therefore, must be explicitly or implicitly a part of the job description of all.

Therefore, while internal control can help a unit of government achieve its objectives, it is not a panacea.

### Roles and Responsibilities

All the staff of the unit of government is responsible for the operation of the internal control system:

Virtually all employees produce information used in the internal control system or carry other actions.

### External surveillance

Of the government of the federal District, the Directorate General Audit of the Comptroller General of the Federal District makes a part. Contributes to the strengthening of internal control through objective and independent reviews of the government units, intended to help in meeting objectives and the effectiveness of processes and risk management.

Del Gobierno del Distrito Federal, una parte es realizada por la Dirección General de Auditoría de la Contraloría General del Distrito Federal. Contribuye al fortalecimiento del control interno a través de revisiones objetivas e independientes de las unidades de gobierno, dirigidas a ayudar en el cumplimiento de objetivos y a la efectividad de los procesos y la gestión de riesgos. Another is carried out by citizen comptrollers who participate with their monitoring processes in key government units.

An additional number of external parties often contribute to the achievement of objectives of the unit of government.

The external auditors provide an independent and objective view, contribute directly through the audit of financial statements and indirectly through providing useful information to the holder and the governing body in order fulfill its responsibilities.

Other segments that provide information to the unit useful in the operation of internal control are legislators and watchdogs of other powers of government, the contributor users who are suppliers and others who transact with the unit, the media and citizens.

However, outside groups are not responsible, nor part of the internal control system of the unit of government.

### About what they did to the Internal Control

Afterwards on date April 9, 2007, the Comptroller General of the Federal District issues the "Agreement establishing the General Guidelines for Internal Control in the Federal Public Service District " through which the responsibility is transferred to holders of the administrative and governing bodies of the Federal District, to establish and preserve the internal control system required to achieve its objectives and goals ; assigning to the Comptroller General through the Internal Comptroller attached to it, monitoring and evaluating the operation of the internal control system in government units<sup>38</sup>.

“Con esta disposición, se da un giro muy importante a la manera en que operó durante 6 años el Control Interno, al pasarle la responsabilidad de implementarlo a las áreas y, internal comptrollers were devoted exclusively to monitoring. Aunque en la práctica no se implementaron nuevos controles internos, sólo se dio seguimiento a los existentes.”

<sup>38</sup> GOVERNMENT of the Federal District. Agreement establishing the overall internal control guidelines for the government of the Federal District issued by the Comptroller General of the Federal District and published in the Official Gazette No. 57 of 9 April 2007 composed of 112 pages, consulted at [http://www.df.gob.mx/wb/gdf/gaceta\\_oficial](http://www.df.gob.mx/wb/gdf/gaceta_oficial).

With this arrangement, a major shift to the way the Internal Control operated for 6 years is done, by transferring the responsibility of implementing it to the areas and, internal comptrollers were devoted exclusively to monitoring. Even though new internal controls were not implemented in practice, only monitoring to the existent ones began.

Currently are in force reforms of April 30, 2008 published in the Official Gazette of the Federal District, made to article 113 of the Regulations of the Civil Service of the Federal District, where the authority granted regarding the implementation of Internal Control is abrogated and a relevant aspect, that is the attribution to perform regular and special audits in all areas prevented by such legal provision, is contributed to the Internal Comptroller of Units, Decentralized Organs, delegations and institutions.<sup>39</sup>

This in order to give strength and relevance to the Internal Comptroller, in addition to another image, since Internal Control Bodies interventions are designed to monitor and verify, correct and prevent strict compliance of the applicable regulations and the objectives of the agencies, bodies, decentralized, suboffices and agencies of the Federal District Public Management, this in order to avoid possible performance of practices that contravene applicable regulations and cause corruption

It is wanted to determine the degree of economy, efficiency, effectiveness, impartiality, honesty and adherence to standards with public resources with these new attributions, granting the Internal Comptroller, the allocation for preventive and corrective recommendations in case of evident deficiencies.

Since this latter disposition is in force, the role of Internal Control of the government of the Federal District is abrogated. Internal comptrollers again become eminently audit institutions and a cycle, a fashion, a way of doing politics is closed; which had many advantages that are currently paying control dividends.

### **Conclusions**

From the theory: The theoretical aspect was the guiding principle of the actions and work of Internal Controls Implementations, which gave positive results by the participation of the various areas that contributed to their integration, making that they become useful and functional instruments. The tools that were used for the Implementation and Monitoring of Internal Control Systems that were materialized, proved their effectiveness and efficiency; but also showed their weaknesses, those that were susceptible to improvement. As is known since the year two thousand and one, the attributions of the Comptroller General, were modified, it was given a perspective of assistance, accompanying support to units and other offices of the Public administration of the Federal District, thereby limiting the Internal Comptroller to , a purely preventive approach as was the internal control.

<sup>39</sup> GOVERNMENT of the Federal District. Internal Regulations of the Civil Service of the Federal District. amendments published in the Official Gazette of the Federal District No. 325 Published on April 30, 2008. Consulted at [http://www.df.gob.mx/wb/gdf/gaceta\\_oficial](http://www.df.gob.mx/wb/gdf/gaceta_oficial).

Although it is important to note that the Comptroller General of the Federal District continued to conduct audits through its Directorate General of Audit; it was a fact that it did not have the sufficient structure to cover all the city government, but through internal Comptroller and internal control reached this objective.

It must be noted also, that during this period, Cabe Comptroller largely achieved efficiency and the expected results, under the fulfillment of the principle of contribution, they denoted irregularities or deviations to various areas, giving them an opportunity to correct their acting. This situation implied that comptrollers were attracted by the areas to ask for advice in decision making in a constant way; nevertheless, this caused that they were substantially away from its fundamental presence as a watchdog.

Internal control was the mean through which the units achieved in the interceded process:

- Reasonably ensure the achievement of goals and objectives.
- Fight corruption.
- Provide an appropriate structure for accountability and promote transparency.
- Be responsible for the management at all levels and in all areas.
- Prevent risks that may impede the achievement of goals and objectives.

- Promote the efficiency, effectiveness and economy in the handling and application of resources.

Preventive vision proposed from the beginning, is definitely the strategic factor that stands out. At first glance we can see the many benefits of the Internal Control System, however, it was also found that through time was equivalent to a six-year simple fashion.

As a final conclusion, I can state unequivocally that I am convinced that the prime role of the Internal Comptroller is largely the audit, which is implemented through internal audits, but what good is finding faults, prosecute servants and penalize them if this becomes a recurring cycle because every time you do some revision again the same practices prevail.

Therefore, I hereby make the following proposals, which aim to close the cycle of operation of the Internal Comptroller, including both audit oversight functions and Implementation of Internal Control Systems:

- Auditing. Internal comptrollers should make the audit as the core of its activity, with the purpose of contributing to the detection of irregularities and proceed according to established law. Besides informing intervened areas, as well as staff responsible for conducting the implementation of Internal Control Systems, of observations raised to complement the actions undertaken by the Internal Comptroller.

- Internal Control. After identifying serious problems in operations thrown by audits conducted previously, Internal Control systems essentially preventive should be implemented so that as far as possible inconsistencies and irregularities found not happen again.
- Feedback. Through annual diagnostics to determine the priorities that units or agencies have, with the purpose of intervening areas at greatest risk in your operation. Seeking to close open circles with audits of the previous period.

The operation of the Internal Comptroller would be carried as shown in chart 1, regardless of the activities related to internal complaints and reports areas. With this important achievements could be reached, laying the groundwork for hereinafter, and despite the six-year changes and staff replacement, control is not lost. All this, reinforced by being registered the introductions as part of formal procedures to which different servants in turn are obligated.

Internal comptrollers operation proposal



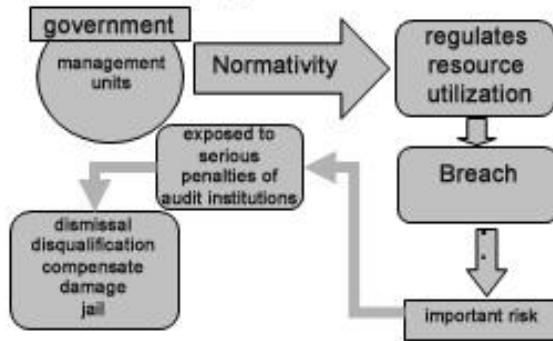
Chart 1

Experience. The labor in the Suboffice of Internal Control of the Internal Comptroller of the Administrative Office of the Comptroller General of the Federal District provided a unique opportunity to broaden my view, of how the job must be done in any job, position or commission in the public sector.

Working in an area where the responsibility for the operation mainly lies with other, allowed a good apprenticeship, to identify clearly and accurately the risks of public administration, and the obligations under Article 47 of the Federal Accountability Act Public Servants in the performance of any employment, position or commission; as well as the sanctions to which he becomes debtor in case of administrative offense under Article 53 of the Act <sup>40</sup>. This story makes no sense, if after the experience in the Division of Internal Control of the Internal Comptroller in the Administrative Office, it had not permanently identified during the work done, the risks faced by public servants for breach of the Law commented. Because as public servants, when it comes to government, we can not detach ourselves from the laws and regulations governing its resources, as well as breach risk and even corruption, which derives in critical situations by being exposed to heavy penalties by audit institutions such as removal, disqualification, repair of damage and of course jail, as seen graphically in Chart 2. This is something that is certainly very important, so public servants consider the need to conduct themselves with honesty, fairness, impartiality, efficiency and attached to the law since their preparation, because ignorance of the law does not exempt from its consequences.

<sup>40</sup> GOVERNMENT Federal District. Federal Law of Responsibilities of Public Servants. Published in the Official Gazette on December 31, 1982. Pags. 17-22.

Risk of Civil Servants



**Chart 2**

Framed in these reflections, we can understand deeply and clearly, the importance of the work done by the Comptroller General of the Federal District, by encouraging preventive activities of internal control above the corrective that regularly involved penalties for public servants

This work by the Internal Comptroller linked to Internal Control Systems, strengthened them and helped without fear of misjudgment, to streamline the public administration of the Federal District by establishing control mechanisms that enabled, ensure that Government agencies of Federal district healthily met its objectives; because without a doubt, prevention is better than cure.

Hence the importance, that derivated from the last modifications to the normativity applied to Internal Comptrollers, of encouraging a new form of work that implies recovering this primordial function as control is, to complement the actions of what we might call the new Internal Comptroller of the XXI century.

Prospects. Despite the experience in applying the principles and methodology established by the Comptroller General of the Federal District on Internal Control, the results were satisfactory but incomplete; especially because it is considered necessary to have parameters for comparison between previous reality to the implementation of the Internal Control System on the premises and the situation after.

This situation generated by the lack of quantification of the achievements in several areas, precludes an objective assessment of what has been achieved. It is not enough to know what has been improved, it is necessary to know what the actual impact was.

Also, there was a lack of crossovers as handled in auditing, of different Internal Control Systems in order to obtain a comprehensive view of Public management and detect and intervene opportunely the operations that imply any important risk.

The participation areas in the handling of processes implies a permanent searching attitude, looking for new ways of doing things optimally and become Control Processes. Keeping them always under study facilitates decision.making and magagement simplification.

The user or owner area of a process is the most appropriate to suit your operating needs. This is consistent with one of the principles of internal control: Comptroller is not who should perform the Control, operational areas are responsible to carry out it, as it was encouraged since 2007, although this measure as it was posed, announced the end of the era of internal control.

Finally, it can be concluded that the basis for the operation of the Internal Comptroller on Systems of internal control were given were useful and added value in achieving the objectives of public institutions, however, there is room for improvement, because this work involves ongoing actions for keeping the risks updated and how to manage them. But we noted that internal control should not be thrown into oblivion, by being displaced by the regulations that currently operates.

Because according to the experience, it was observed that a new form of public management requires not only identify and punish, but to perform the actions so that the events detected are not repeated and the processes that led them are corrected through eminently preventive Internal Control Systems.

The road traveled during the period in which internal control systems were implemented, provides important elements for viewing in the future that we can move forward.

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