

REPORT HIGHLIGHTS



ANNUAL REPORT OF AUDIT RECOMMENDATIONS
NOT FULLY IMPLEMENTED AS OF JUNE 30, 2014

OCTOBER 2014
STATE OF COLORADO

OF THE 140 OUTSTANDING AUDIT RECOMMENDATIONS THAT STATE AGENCIES AGREED TO IMPLEMENT BETWEEN JULY 2008 AND JUNE 2013, 64 (46 PERCENT) ARE CONSIDERED HIGH PRIORITY DUE TO THEIR SERIOUSNESS OR BECAUSE THEY HAVE BEEN OUTSTANDING FOR 3 YEARS OR MORE.

KEY FACTS

- For Fiscal Years 2009 through 2013 (July 2008 through June 2013), the Office of the State Auditor (OSA) made a total of 3,321 financial, performance, and information technology (IT) audit recommendations to state agencies.
- State agencies agreed to implement 99 percent of all audit recommendations in this 5-year period.
- Overall, as of June 30, 2014, state agencies have implemented 95 percent of the recommendations that they agreed or partially agreed to implement.

FINANCIAL AUDIT RECOMMENDATIONS

- Financial audit reports contained 1,479 of the 3,321 recommendations (45 percent) made for the periods covering Fiscal Years 2009 through 2013, and state agencies agreed to implement 1,449 (98 percent) of them.
- As of June 30, 2014, state agencies had not fully implemented 73 of the 1,449 financial audit recommendations (5 percent) that they had agreed to implement.
- Of the 73 outstanding financial audit recommendations, 26 (36 percent) are considered high priority due to their seriousness or because they have been outstanding for 3 years or more.
- The number of outstanding financial audit recommendations has decreased since June 30, 2013.

PERFORMANCE AND IT AUDIT RECOMMENDATIONS

- Performance and IT audit reports contained 1,842 of the 3,321 recommendations (55 percent) made in Fiscal Years 2009 through 2013, and state agencies agreed to 1,828 (99 percent) of them.
- As of June 30, 2014, state agencies had not fully implemented 67 of the 1,828 performance and IT audit recommendations (4 percent) that they had agreed to implement.
- Of the 67 outstanding performance and IT audit recommendations, 38 (57 percent) are considered high priority because they have been outstanding for 3 years or more.
- The number of outstanding performance and IT audit recommendations has decreased since June 30, 2013.

OUR CONCLUSION

When considering the number of recommendations that the OSA made to state agencies for the period July 2008 through June 2013, agencies generally agree with our recommendations and usually implement them in a timely manner. However, 5 percent of the recommendations made over the 5-year period have not been fully implemented and are still outstanding.

BACKGROUND

- The OSA tracks the implementation status of all recommendations contained in audit reports released by the Legislative Audit Committee.
- The purpose of this initiative is to hold state agencies accountable for audit recommendations that they have agreed to implement and to provide better information to policy makers and the public.
- Implementation status for financial audit recommendations is determined by the OSA through follow-up audits.
- Implementation status for performance and IT audit recommendations is based on self-reported data from the respective state agencies, with the exception of the status of recommendations related to cash funds, which is determined by OSA audits.