

# REPORT HIGHLIGHTS



ANNUAL REPORT: STATUS OF OUTSTANDING AUDIT  
RECOMMENDATIONS AS OF JUNE 30, 2017

OCTOBER 2017  
STATE OF COLORADO

## CONCLUSION

Over the 5-year period, July 2011 through June 2016, the Office of the State Auditor (OSA) made 2,224 audit recommendations to state agencies and other audited organizations. Agencies and organizations generally agreed with our recommendations and usually implemented them in a timely manner. However, 97 (4 percent) of the recommendations agreed to have not been fully implemented and are still outstanding as of June 30, 2017. Further, 38 of the 97 outstanding recommendations (39 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 2012 through 2016 (July 2011 through June 2016), the OSA made a total of 2,224 financial, performance, and information technology (IT) audit recommendations to state agencies and other audited organizations.
- The agencies and organizations agreed to implement 99 percent of all audit recommendations in this 5-year period.
- Overall, as of June 30, 2017, state agencies and other audited organizations have implemented 96 percent of the recommendations that they agreed to implement.
- The number of outstanding recommendations has decreased since June 30, 2016.

## FINANCIAL AUDIT RECOMMENDATIONS

- Financial audit reports contained 926 of the 2,224 recommendations (42 percent) made for Fiscal Years 2012 through 2016, and state agencies and other audited organizations agreed to implement 921 of them (99 percent).
- As of June 30, 2017, the agencies and organizations had not fully implemented 49 of the financial audit recommendations (5 percent) that they had agreed to implement.
- Of the 49 outstanding financial audit recommendations, 28 (57 percent) are considered high priority due to their seriousness or because they have been outstanding for 3 years or more.

## PERFORMANCE AND IT AUDIT RECOMMENDATIONS

- Performance and IT audit reports contained 1,298 of the 2,224 recommendations (58 percent) made in Fiscal Years 2012 through 2016, and state agencies and other audited organizations agreed to implement 1,281 of them (99 percent).
- As of June 30, 2017, the agencies and organizations had not fully implemented 48 of the performance and IT audit recommendations (4 percent) that they had agreed to implement.
- Of the 48 outstanding performance and IT audit recommendations, 10 (21 percent) are considered high priority because they have been outstanding for 3 years or more.

## BACKGROUND

- The OSA tracks the implementation status of all recommendations contained in audit reports.
- The purpose of this initiative is to hold state agencies and other audited organizations accountable for the audit recommendations that they have agreed to implement and to provide better information to policy makers and the public.
- Implementation status for recommendations that result from financial audits is determined by the OSA through follow-up audits.
- Implementation status for recommendations that result from performance audits and IT audits is based on self-reported data from the respective state agencies and other audited organizations, and on follow-up audit work by OSA staff on select audits.