



OFFICE OF THE STATE AUDITOR



FOR IMMEDIATE RELEASE

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STATUTORY REQUIREMENTS MISSED FOR STATE CASH FUNDS

DENVER—The Colorado Office of the State Auditor (OSA) has issued its audit of Cash Funds Uncommitted Reserves for the Fiscal Year Ended June 30, 2016, and has found that 6 departments have cash funds that do not comply with statutory requirements, while the Office of the State Controller missed its statutory deadline for reporting on those cash funds.

Section 24-75-402, C.R.S., limits the amount that departments can keep in certain cash funds at the end of a fiscal year. A cash fund has an excess uncommitted reserve when the year-end balance is greater than statutory reserve limits.

Auditors found that 7 cash funds within the Departments of Agriculture, Law, Personnel & Administration, Public Health and Environment, Public Safety, and State, were all out of compliance, with excess uncommitted reserves totaling \$4 million. This is down from last year when 9 cash funds within 6 departments had excess uncommitted reserves of \$7.3 million. However, 5 of these remaining 7 cash funds have now been out of compliance for more than 3 years.

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Additionally, the Office of the State Controller submitted its cash funds report on October 26, 2016, more than a month after its statutory September 20 deadline, caused in part by the Office's delays in closing the State's accounting periods.

The audit makes 7 recommendations.

The full report is available @ www.colorado.gov/auditor.

Under the direction of the state auditor, the OSA is the state's nonpartisan, independent external auditor with broad authority to audit state agencies, departments, institutions of higher education, and the Judicial and Legislative Branches. The OSA's professional staff serve the people of Colorado by addressing relevant public issues through high-quality, objective audits and reviews that promote accountability and positive change in government. Performance audits address whether programs operate in compliance with laws and regulations and in a manner that accomplishes intended program goals. Financial audits include annual audits of the state's basic financial statements and federal grants on a statewide level. IT audits review procedures and technology to ensure the confidentiality, integrity and availability of the state's critical computer systems and taxpayer data. The OSA also tracks about 4,000 Colorado local governments for compliance with the Local Government Audit Law.